CITY OF DALLAS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2023

CITY OF DALLAS, TEXAS

ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the Fiscal Year Ended September 30, 2023

Issued by
City Controller's Office

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CITY OF DALLAS, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED SEPTEMBER 30, 2023
TABLE OF CONTENTS

		PAGE
I.	**INTRODUCTORY SECTION (Unaudited)**	
	Letter of Transmittal	v
	City Elected Officials	xxix
	City Appointed Officials	xxxi
	City of Dallas Organizational Chart	xxxii
	GFOA Certificate of Achievement	xxxiii
II.	**FINANCIAL SECTION**	
	Independent Auditors' Report	1
	A. MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)	5
	B. BASIC FINANCIAL STATEMENTS	
	Government-Wide Financial Statements	
	Statement of Net Position	17
	Statement of Activities	18
	Fund Financial Statements	
	Governmental Fund Financial Statements	
	Balance Sheet	20
	Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	21
	Statement of Revenues, Expenditures, and Changes in Fund Balances	22
	Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	23
	Budget and Actual Comparison	
	General Fund Statement of Revenues, Expenditures, and Changes in Fund Balances-Non-GAAP Budgetary Basis	24
	Proprietary Fund Financial Statements	
	Statement of Net Position	26
	Statement of Revenues, Expenses, and Changes in Fund Net Position	28
	Statement of Cash Flows	30
	Fiduciary Fund Financial Statements	
	Statement of Fiduciary Net Position	34
	Statement of Changes in Fiduciary Net Position	35
	Notes to the Basic Financial Statements	36
	C. REQUIRED SUPPLEMENTARY INFORMATION (Unaudited)	
	Schedule of Changes in the City's Net Pension Liability and Related Ratios – Pension Plans	130

TABLE OF CONTENTS
(continued)

		PAGE
	Schedule of City Contributions to Pension Plans	132
	Notes to Schedule of City Contributions to Pension Plans	134
	Schedule of Changes in the City's Total Liability and Related Ratios – Other Postemployment Benefits	136
D.	**COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS**	
	Nonmajor Governmental Funds	
	Combining Balance Sheet	140
	Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	144
	Nonmajor Enterprise Funds	
	Combining Statement of Net Position	151
	Combining Statement of Revenues, Expenses, and Changes in Fund Net Position	152
	Combining Statement of Cash Flows	153
	Internal Service Funds	
	Combining Statement of Net Position	155
	Combining Statement of Revenues, Expenses, and Changes in Fund Net Position	156
	Combining Statement of Cash Flows	157
	Fiduciary Funds	
	Combining Statement of Fiduciary Net Position - Pension Funds	159
	Combining Statement of Changes in Fiduciary Net Position - Pension Trust Funds	160
	Combining Statement of Fiduciary Net Position – Custodial Funds	161
	Combining Statement of Changes in Fiduciary Net Position – Custodial Funds	162
	Debt Service Fund	
	Budgetary Comparison Schedule	164
	Discretely Presented Component Units	
	Combining Statement of Net Position	167
	Combining Statement of Activities	168

CITY OF DALLAS, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED SEPTEMBER 30, 2023

TABLE OF CONTENTS
(continued)

III. STATISTICAL SECTION (UNAUDITED)	TABLE	PAGE
Net Position by Component	1	172
Change in Net Position	2	174
Fund Balances, Governmental Funds	3	176
Changes in Fund Balances, Governmental Funds	4	178
Assessed Value and Estimated Actual Value of Taxable Property	5	180
City Tax Rate Distribution	6	181
Property Tax Rates - All Direct and Overlapping Tax Rates	7	182
Property Tax Levies and Collections	8	183
Principal Property Taxpayers	9	184
Direct and Overlapping Governmental Activities Debt	10	185
Ratio of Outstanding Debt by Type	11	186
Legal Debt Margin	12	188
Schedule of Revenue Bond Coverage-Dallas Water Utilities	13	190
Schedule of Revenue Bond Coverage-Convention Center Fund	14	191
Schedule of Revenue Bond Coverage-Airport Revenues Fund	15	192
Demographic Statistics and Economic Statistics	16	193
Principal Employers	17	194
Capital Assets Statistics by Function/Program	18	196
Operating Indicators by Function/Program	19	198
Headcount of City Government Employees by Function/Program	20	200

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INTRODUCTORY SECTION

City of Dallas

February 28, 2024

Honorable Mayor, City Council members, and residents of Dallas:

We are pleased to present the Annual Comprehensive Financial Report for the City of Dallas (City) for the fiscal year (FY) ended September 30, 2023. The City and our dedicated financial management staff are committed to responsibly stewarding the funds our residents and taxpayers entrust to us. We have produced this report to help the public better understand the City, our operations, and our finances.

We are proud to announce we received an unmodified (clean) audit opinion on our financial statements this year from our external auditor, Weaver and Tidwell, LLP. We can provide reasonable assurance the financial information contained in this report is complete, reliable, and accurate.

We present the report in three sections:

- The **Introductory Section** provides this transmittal letter, a list of City officials, and an organizational chart.
- The report from our external auditor, Weaver and Tidwell, LLP, is located at the front of the **Financial Section**, followed by Management's Discussion and Analysis (MD&A) and the annual financial statements. The MD&A includes a narrative introduction, overview, and analysis of the basic financial statements and should be read in conjunction with this transmittal letter.
- The **Statistical Section** presents selected financial and demographic information.

We wish to take this opportunity to thank the staff of the City Controller's Office, as well as staff with financial management roles in all departments, for their dedication to excellence, transparency, and accountability. We could not have produced this report without them. We appreciate the guidance of the Executive Finance and Controls Committee, as well as the assistance of the Office of Economic Development and the Department of Information and Technology Services, which provided the necessary data to prepare this report. We look forward to implementing even stronger fiscal policies and practices to provide Dallas residents and taxpayers the maximum value for the resources entrusted to us.

Finally, our thanks to the Mayor and members of the City Council for their support in maintaining the highest standards of professionalism in the management of the financial operations of the City.

City Manager's Office | 1500 Marilla St., 4EN | Dallas, TX 75201 | 214-670-3297

ABOUT DALLAS

HISTORY

John Neely Bryan established a permanent settlement in Dallas in 1841, though the region was long inhabited by Native Americans, particularly the Wichita, Cherokee, Caddo, and Comanche tribes. Dallas grew rapidly, serving the surrounding rural areas and securing new rail lines, which were a catalyst for further economic expansion. The City of Dallas was incorporated in 1856, and the 1860 census reported a population of about 700. Today, the City spans 385 square miles and four counties (Dallas, Collin, Denton, and Rockwall). It is the ninth-largest city in the nation and the largest local economy in Dallas-Fort Worth-Arlington (DFW), the nation's fourth-largest metropolitan area.[1]

The City is home to 1,300,642 people.[2] Per the most recent census numbers, the DFW area increased by more than 170,396 people between July 1, 2021 and July 1, 2022 – one of the largest changes of any metro area in the nation.[3] Additionally, DFW was one of the nation's leaders in job growth, with a 3.8 percent rate of job gain, surpassing the nation's average.[4]

Dallas is a diverse city, as indicated by the latest census findings. Approximately 42.4 percent of its residents identify as Hispanic or Latino (of any race), while 57.6 percent identify as non-Hispanic or Latino. Within the non-Hispanic or Latino category, 28.3 percent are White, 23.3 percent are Black, 3.6 percent are Asian, and 2.4 percent belong to other racial backgrounds.[5] The City also attracts domestic and international immigration. In 2022, foreign-born residents made up 23.9 percent of the overall population, and of these, 70.1 percent of the employed labor force.[6] Dallas' median household income is $63,985 as of 2022, with a per capita income of $41,761, both adjusted for inflation, an increase of $9,238 and $7,274 respectively since 2020.[7]

Dallas has a council-manager form of government with 14 single-district City Council members and a Mayor elected at-large. The Mayor and City Council appoint the City Manager, City Attorney, City Auditor, City Secretary, and Municipal Court judges. The City provides a full range of municipal services established by statute or charter, including police and fire, infrastructure, culture and recreation, libraries, planning and zoning, and general administration. Additionally, Dallas Water Utilities, Airport Revenues, Convention Center, Sanitation Services, and several other enterprise and internal service fund activities are part of the City's legal entity. Refer to the *Financial Information* section in this transmittal letter for more information.

[1] U.S. Census Bureau, City, Metropolitan and Micropolitan Statistical Areas Population Totals: 2020-2022

[2] 2022 American Community Survey, 5-Year Estimates, Table DP05

[3] U.S. Census Bureau, City, Metropolitan, and Micropolitan Statistical Areas Population Totals: 2020-2022

[4] U.S. Bureau of Labor Statistics, 2023.

[5] 2022 American Community Survey, 5-Year Estimates, Table DP05

[6] 2022 American Community Survey, 5-Year Estimates, Table S0501

[7] 2022 American Community Survey, 5-Year Estimates, Tables B19013 and B19301

ABOUT DALLAS

ECONOMY

Dallas is the center of one of the nation's best regional economies and fastest-growing urban areas, with an influx of new residents from various cities across the United States and abroad. Dallas' diverse economy is one of the reasons that over the past year, DFW has gained 172,000 jobs. Since 2010, DFW has led the U.S. in jobs created, with 1,300,000 new jobs.

Dallas is a notable place for business with no state income tax, a large, educated workforce of almost 750,000 within the City, and more than 220 company headquarters-- including AT&T, CBRE, and AECOM-- that have recently relocated to DFW. The region continues to attract professional, business, and financial services companies, has a substantial health services presence which includes a growing base in life sciences and biotech, and continues to be a top destination for logistics, transportation, and warehousing services. The overall growth trajectory is sustained by a well-educated population and a competitive cost structure.

FIGURE 1.
CITY OF DALLAS EMPLOYMENT BY INDUSTRY

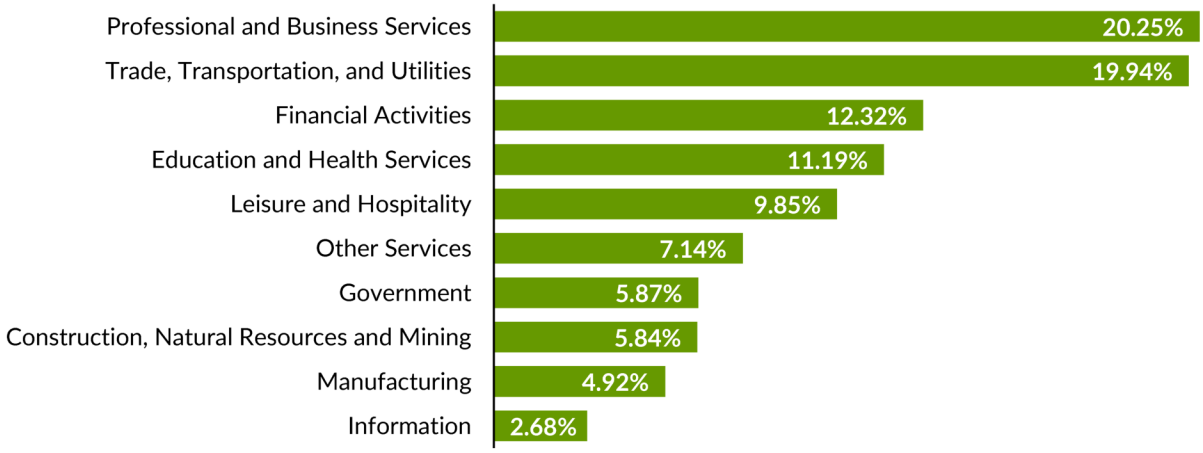


Figure 1 Source: Estimated using data from ESRI Business Analyst and U.S. Bureau of Labor Statistics, Dallas-Plano-Irving Metropolitan Division

With a diverse industry mix, Dallas is strategically positioned to weather any downturns in the U.S. economy, due to no industry providing more than 25% of the City's employment and has seen robust job growth across various industries. The City boasts a thriving business community, hosting nearly 63,000 businesses.[8] In FY 2023, the most significant sectors in terms of employment were the Professional and Business Services industry, with Trade, Transportation, and Utilities, as well as Financial Services, following closely behind.[9]

[8] Estimated using data from ESRI Business Analyst, 2023

[9] Estimated using data from ESRI Business Analyst and U.S. Bureau of Labor Statistics, Dallas-Plano-Irving Metropolitan Division

ABOUT DALLAS

In FY 2023, the monthly labor force in Dallas averaged 742,004, with an average of 29,277 unemployed residents per month, both of which are slight increases over FY 2022. However, the monthly average labor force increased more than the monthly average number of unemployed residents, leading to the average unemployment rate of 3.9 percent for Dallas in FY 2023. This is a slight decrease compared to the 4 percent rate in FY 2022, yet slightly higher than the national average of 3.6 percent in FY 2023.[10]

FIGURE 2.
CITY OF DALLAS UNEMPLOYMENT RATE (PERCENT)

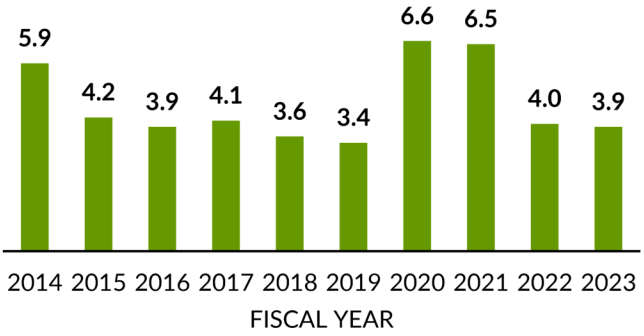
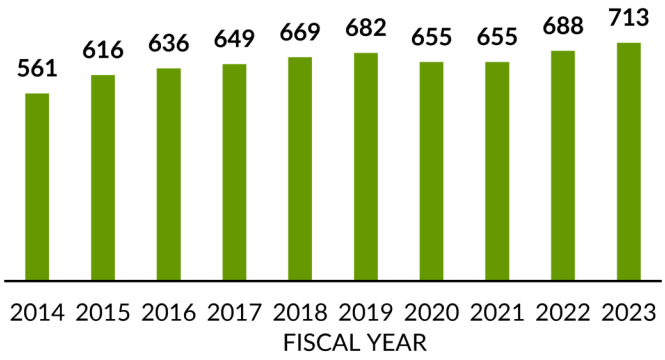


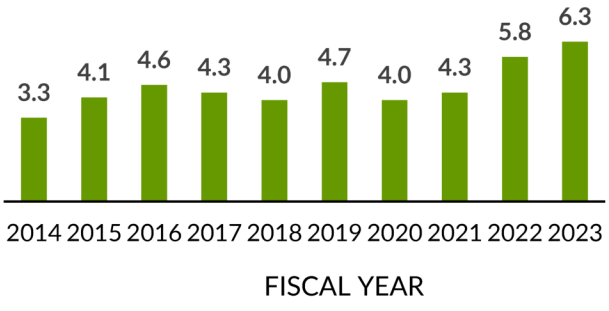
FIGURE 3.
DALLAS EMPLOYMENT (IN THOUSANDS)



The unemployment rate peaked at 4.4 percent in August 2023 and showed fluctuations throughout the fiscal year, with December 2022, having the lowest unemployment rate for the year, at 3.3 percent. The annual average unemployment rate for Dallas was 3.9 percent. The employed population of Dallas continues to grow, reaching approximately 712,728 residents in FY 2023, compared to 688,295 in FY 2022, reflecting a 3.5 percent increase.[11] [12]

In FY 2023, the annual value of submitted construction permits was about $6.3 billion. New construction values increased from the previous year by approximately 8.6 percent.[13]

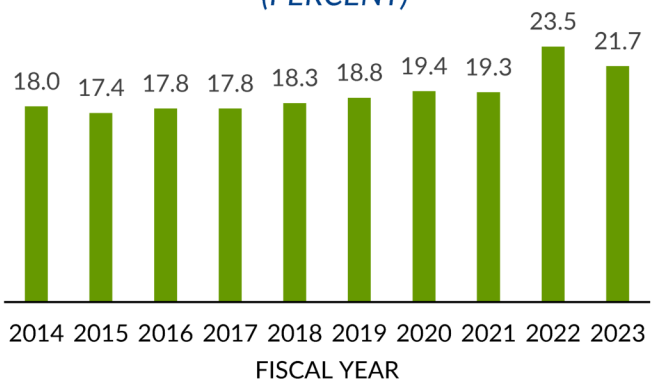
FIGURE 4.
DALLAS BUILDING ACTIVITY (IN BILLIONS $)



[10] Texas Workforce Commission (TWC) and U.S. Bureau of Labor Statistics
[11] Texas Workforce Commission (TWC) and U.S. Bureau of Labor Statistics
[12] U.S. Bureau of Labor Statistics (non-seasonally adjusted values)
[13] City of Dallas Development Services

ABOUT DALLAS

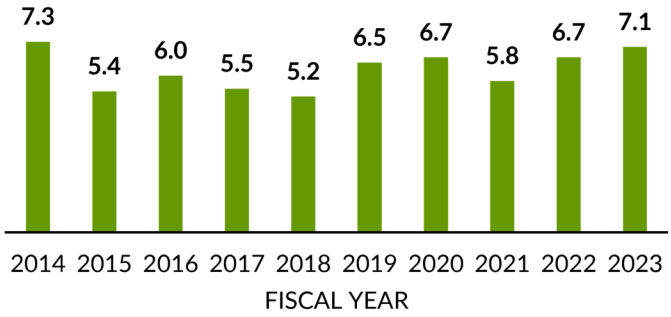
FIGURE 5.
DALLAS OFFICE VACANCY RATE
(PERCENT)



According to the CoStar commercial real estate database, Dallas boasts nearly 145 million square feet of office space, 232 million square feet of industrial/flex space, and 85 million square feet of retail space.[14] Dallas' slightly increasing office vacancy reflects the U.S. trend of work location realignment as America continues to adjust to new office patterns post-Covid, a trend that is expected to continue in the near future, while some buildings get repositioned for residential or hotel use or office demand returns.

According to the CoStar commercial real estate database, the industrial vacancy rate stood at 7.1 percent in FY 2023. The rise in vacancy is the result of increased project delivery for projects that started in 2021 and 2022 (some of which were speculative) and a slight slowing in leasing rates in response to national economic conditions. Dallas currently boasts around 231 million square feet of industrial space, reflecting a modest increase from the previous year. Projections for the coming year anticipate a slight increase in industrial space vacancy in the short term until the market balances out.[15]

FIGURE 6.
DALLAS INDUSTRIAL VACANCY RATE
(PERCENT)

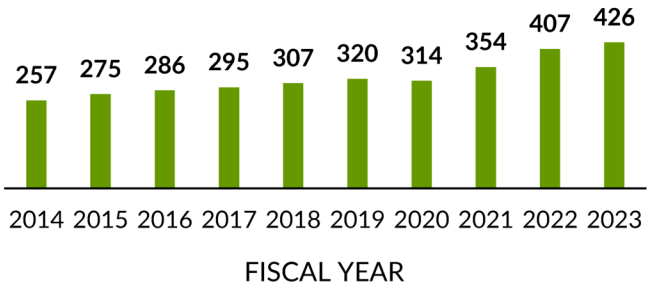


[14] Please note, due to data source changes, the available commercial space as noted in the text is not comparable to previous years' text. The charts are repopulated with CoStar data for the previous years.

[15] Please note due to data source changes, the available commercial space as noted in the text is not comparable to previous years' text. The charts are repopulated with CoStar data for the previous years.

ABOUT DALLAS

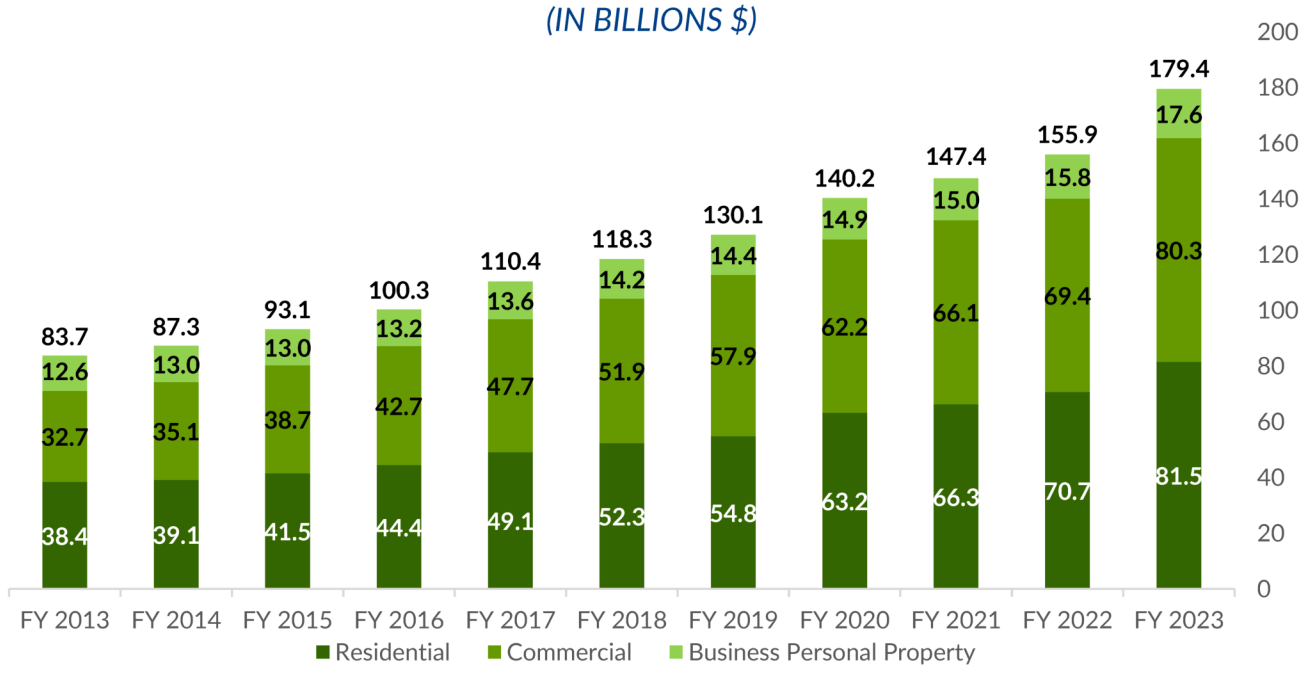
FIGURE 7.
DALLAS SALES TAX REVENUE
(IN MILLIONS $)



Total actual sales tax revenue for FY 2022-23 was $425.5 million, which is $18.2 million, or 4.5 percent more than the actuals reported in FY 2021-22. Sales tax revenue has increased by 65.3 percent since FY 2014.[16]

The combined certified value of the property tax base, encompassing business personal property (BPP), and commercial and residential real property taxes has risen to $179.4 billion in FY 2023, marking a 15.1 percent increase from the $155.9 billion recorded in FY 2022. Notably, despite the challenges posed by the COVID-19 pandemic, FY 2023 marks the tenth consecutive year of growth in taxable property values for Dallas.[16]

FIGURE 8.
DALLAS TAXABLE PROPERTY VALUES
(IN BILLIONS $)



[16] City of Dallas Budget & Management Services

ABOUT DALLAS

Development in Dallas continued as the economy continued to rebound from the impacts of COVID-19. Presently, the downtown loop accommodates a residential community exceeding 14,500 residents across 50 residential properties, featuring 217 recently completed residential units in 2022, with nearly 1,100 units currently in the construction phase. Moreover, the downtown area boasts a substantial presence with 140 commercial office buildings, 30 hotels, and over 20 construction and development projects in various stages, including the anticipated $2.8 billion redevelopment project for the Downtown convention center.[17] Within a 2.5-mile radius from the midpoint of the Central Business District (CBD), the number of residents has surpassed 65,500, marking a 40.9 percent increase since 2010.[18]

In January 2023, City Council approved a new Economic Development Incentive Policy with goals of proactively addressing disparities, minimizing existing inequities, and focusing on historically disadvantaged communities and populations. The new economic development incentive policy is designed to keep what was working and address some of the challenges that developers and business owners faced, including the need for streamlined applications, processes and approvals, and the need for additional sources of capital for the significant infrastructure needs often found in Southern Dallas.

Some of the new tools developed include a new target area aligning with state enterprise zones (block groups where the poverty rate is above 20%); as-of-right tax abatements for target area projects between $2-25 million; an Infrastructure Investment Fund to address infrastructure needs, which redirects windfall funds from expiring TIF Districts to areas where infrastructure improvements are most needed in the City; a Predevelopment Assistance Loan program to assist qualified Minority and Women-Owned Business Enterprises (M/WBE) or community development organizations with predevelopment costs; and, a Chapter 373 Community Development program for target area real estate projects either led by non-profit/community-based developers.

In addition to approval of the new Economic Development Incentive Policy, significant projects include:

PEGASUS PARK

In July of 2023, the City Council supported incentives for the development of Bridge Labs at Pegasus Park, which will be the first institutional-quality, non-incubator space in the region and provide 135K SF of research and development, and lab suites for growth-stage life sciences entrepreneurs and companies. In September, the City of Dallas and Pegasus Park were selected as the home of the Advanced Research Projects Agency for Health (ARPA-H) Customer Experience Hub, which will focus on developing new, cutting-edge healthcare innovations. This selection puts Dallas at the vanguard of the growing biotech and life sciences industry and Dallas' future as a biotech leader looks bright.

[17] Downtown Dallas Inc, State of the Market, 2023

[18] PolicyMap, accessed December 8th, 2023

ABOUT DALLAS

NORTHEND REDEVELOPMENT

In October 2023, Hillwood, Hunt Realty, and Goldman Sachs celebrated the ground-breaking for Goldman Sachs' new 800,000 sq ft corporate office building that will house approximately 5000 employees. The project also includes a 1.5-acre park.

THE SHOPS AT REDBIRD

Work continues on the revitalization of Redbird Mall. Chick-fil-A chose the revitalized Shops at Redbird to open its milestone 3000th restaurant, with a ribbon cutting on November 2, 2023. Additionally, construction is underway on the buildout of a new childcare facility, Vogel Alcove. The facility will serve up to 134 children between the ages of 6 weeks old through prekindergarten. Simmons Bank opened its newest of 232 branches at RedBird in November 2023. The full-service bank joins Frost Bank which opened in 2021; a PNC bank is expected to sign a lease soon. These openings bring customer and business financial resources to an area that has traditionally been underbanked.

GROCERY STORES

City Council approved incentives for two grocery stores this year bringing much-needed, community-supported retail to new neighborhoods. The first, located at 2534 Royal Lane, will be a new $20 million H MART-- an Asian supermarket chain operating 97 stores across 14 states—and is now under construction. The second is Tom Thumb, a Dallas staple since 1948, which plans to open a 50,000-square-foot grocery store at the Shops at RedBird. In August 2023, City officials celebrated the grand opening of El Rio Grande Latin Market, at 3035 N Buckner Blvd. With the opening of this grocery store, residents now have access to fresh, healthy, affordable quality produce and foods in an area where food desert conditions are present. Incentives for the project were approved by the Council in 2021.

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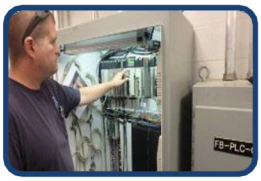
ABOUT DALLAS

The City of Dallas serves an area covering about 385 square miles, including 341 square miles of land and 44 square miles of lakes – that's one-third of the entire state of Rhode Island!

Below are just a few ways that we are proud to serve the residents of this city.

Dallas maintains 11,656 paved lane miles and 9,121 miles of water and wastewater mains, not to mention stormwater and drainage infrastructure. We also offer 84 lane miles of on-street bicycle facilities, plus 179 lane miles of trails and other off-street facilities.



Last year, Dallas Water Utilities (DWU) provided 150 billion gallons of water to Dallas residents, plus 23 other cities, from six reservoirs across an area of about 700 square miles. DWU also treated 72 billion gallons of wastewater.

The City supports 59 fire stations, 46 full-time ambulances, and eight police stations. We also employ more than 3,000 uniformed police officers and over 2,000 firefighters and inspectors. These vital public safety services grow as our population expands.

Dallas Animal Services (DAS) operates one of the largest municipal shelters in the country, taking in any Dallas pet in need, regardless of space. DAS holds a 76.4 percent live release rate for dogs and cats for the fiscal year. DAS has also responded to more than 74,000 resident service calls this year.

Park and Recreation maintains and operates six golf courses, four tennis centers, 42 recreation centers, and more than 21,227 acres of park land. We also provide financial support to the Dallas Arboretum, Texas Discovery Gardens, Trinity River Audubon Center, and Dallas Zoo.

The City operates 30 libraries that serve over six million residents annually. Arts and Culture supported more than 150 local artists and arts providers this year and provided nearly 11,000 in-person art experiences to residents and visitors—not to mention hundreds of virtual activities.

STRATEGIC DIRECTION

ONE DALLAS

During the February 2020 City Council strategic planning session, the City Council affirmed the City's overarching strategic priorities with persistence in our ongoing commitment to putting Service First by imagining new, nontraditional, and more efficient ways of safely meeting the needs of our residents, as ever, with empathy, high ethical standards, a commitment to excellence, and a focus on equity. In June 2023, the Dallas City Council voted to approve a resolution to change the name of the Strategic Priority Environment & Sustainability to Parks, Trails, and the Environment.

Strategic Priorities	Strategic Goals
ECONOMIC DEVELOPMENT	*To be known as a business-friendly city that supports job creation, private investment, a broadened tax base, and economic opportunities for all members of our community*
GOVERNMENT PERFORMANCE & FINANCIAL MANAGEMENT	*To be a well-managed and fiscally responsible city focused on delivering effective and efficient government services*
HOUSING & HOMELESSNESS SOLUTIONS	*To ensure housing opportunities for all residents while promoting fair housing and affordable choices throughout every area of the city while working to eliminate homelessness*
PARKS, TRAILS, & THE ENVIRONMENT	*To be a global leader focused on parks, trails, environmental sustainability, conservation, climate change, and environmental justice to build a more resilient city*
PUBLIC SAFETY	*To be the safest large city in the United States while serving and protecting our diverse community with integrity, respect, and equity*
QUALITY OF LIFE, ARTS, & CULTURE	*To be a world-class city that fosters clean and appealing neighborhoods while offering recreational, educational, and cultural activities that enhance the quality of life for our residents and visitors*
TRANSPORTATION & INFRASTRUCTURE	*To protect and enhance the city's transportation and infrastructure network while continuing to deliver innovative, safe, and equitable infrastructure solutions and moving Dallas forward with a "service first" mentality*
WORKFORCE, EDUCATION, & EQUITY	*To be recognized as a city that is equitable, inclusive, and welcoming for all residents and visitors*

STRATEGIC DIRECTION

ECONOMIC DEVELOPMENT

Reforming the Permitting Process

The City continues investments in the reformation of the building permit process to improve customer experience by relocating to a central facility, enhancing technology, and expanding staff. In the efforts to reform the process for residential, commercial, and mixed-use projects, the Development Services Department (DEV) introduced Pop-Up Permitting events, the Rapid Single-Family VIP Program (RSVP) for same-day permits, and the expansion of the Express Plan Review Unit to expedite permitting and inspection of housing units. DEV continues to fill vacant positions and is on schedule for the implementation of the land management software, "Dallas Now" working with Data Business and Intelligence Department (DBI) on the forward-facing commercial permitting dashboard that is currently rolled out to internal staff review to become public in 2024. The Affordable Housing Team has streamlined affordable housing projects, and a Talent and Acquisition Team will help fill vacancies. The RSVP and Affordable Housing Teams issued a combined total of 180 new single-family permits with 56 issued through the "Same Day" permitting process.[19] These investments continue the enhancement of economic growth and development throughout Dallas.

Updates to Planning and Urban Design

The Planning & Urban Design (PUD) Department developed comprehensive plans and policies with a strong emphasis on community engagement. The completion of an equitable update to ForwardDallas, included the development of the Future Land Use Map that will set the groundwork for land use decisions, zoning changes, infrastructure investments, and economic development strategies. The introduction of the Future Land Use Map represents the shift from reactive, time-consuming planning to a proactive and efficient approach. The Future Land Use Map maintains short-term adjustments, a comprehensive rewrite of the development code, neighborhood and area plans, and multiple zoning changes to align with the City's future land use vision.

Additionally, Dallas is embarking on a comprehensive reform of its development codes. The existing codes have roots dating back to 1965 and have been amended over time, leading to a complex and inconsistent zoning landscape. This reform effort aims to modernize and simplify the development code while aligning it with current City plans and policies by creating a user-friendly, clear, and consistent code that will better address the City's diverse needs. This is a multi-phased process, that includes City Council approval of the consultant contract following an ongoing observation of existing conditions to identify areas of inadequate zoning protection in preparation of diagnostics.

[19] City of Dallas Permits Dashboard (DEV)

STRATEGIC DIRECTION

Tax Abatements

Tax abatements are economic development tools that provide a temporary abatement of either real estate, personal property, sales tax, or hotel occupancy taxes for new investments within the City of Dallas. The City has three major types of tax abatement programs: Historic Preservation Program, Public Private Partnership Program, and Tax Increment Financing Program. The Historic Preservation Program encourages economic development through the revitalization and preservation of the City's historic properties. The Public-Private Partnership Program is used to stimulate private investment and job creation in the City. The Tax Increment Financing Program is utilized to promote development or redevelopment in certain areas of the City. The expected long-term benefits include encouraging capital improvements, increasing the tax base, and creating or retaining jobs in the City. More information about the City's tax allotments is presented in Note 4 to the financial statements.

GOVERNMENT PERFORMANCE & FINANCIAL MANAGEMENT

Reducing Property Taxes

The City prioritized responsible financial management in reducing property tax for the seventh consecutive year, from 77.33¢ to 74.58¢ per $100 valuation, resulting in a 2.75¢ reduction and a decrease in City revenue by $48.5 million. Over the years, the tax rate has decreased by a total of 5.12¢ or 6.4%, representing $90.3 million in foregone revenue for FY 2022-23. The age-65 or older and disabled exemption was raised from $107,000 to $115,500, with adjustments made annually since 2017. This represents a total increase of 80% and complements the City's 20% homestead exemption, which is the highest allowable by state law.

Safeguarding Our Data

The City allocated resources to strengthen data governance, fostering data-driven decision-making, ensuring data security and protection, and promoting interoperability between departments. Data governance is essential for securing, organizing, and managing data effectively. In FY 2022-23, the Data Analytics and Business Intelligence (DBI) team expanded the City's capabilities with additional staff, representing a $1.1 million investment to illustrate how data can be harnessed to gain deeper insights into various situations and issues, enhancing overall organizational efficiency and decision-making.

Future of Work at the City

The City relies on its substantial workforce, consisting of 13,619 employees, to provide a wide range of essential services. Human capital costs, including salaries, overtime, health benefits, pensions, life insurance, and worker's compensation, constitute around 70% of the General Fund budget. FY 2022-23 continued investments to ensure the City maintains a competitive work environment to attract and retain talent. Key investments include adjustments to the minimum wage, increasing it from $15.50 to $18.00 per hour starting in January 2023. The City aligned its minimum wage with the MIT living wage for Dallas County, reflecting its commitment to a talented and diverse workforce. The City also continued work initiated in a compensation study for non-uniformed employees, with an average 3% merit adjustment and a one-time bonus for non-uniform employees earning less than $100,000 annually.

STRATEGIC DIRECTION

HOUSING AND HOMELESSNESS SOLUTIONS

Investing in Dallas R.E.A.L. Time Rapid Rehousing

Over 300,000 residents live in poverty within Dallas, and nearly 600,000 live in housing-distressed households. The City's progress in addressing homelessness employs housing navigation services, landlord incentives, rental subsidies, move-in kits, and case management to reduce and prevent homelessness through coordinated efforts, improved service delivery, and equitable distribution of funding and services. The Dallas R.E.A.L. Time Rapid Rehousing (DRTRR) initiative, in partnership with public and private stakeholders, has housed 2,272 individuals from October 2021 through September 2023. Households consisting of adults with children consist of 40 percent of the individuals housed, and 60 percent are adults only. The Office of Homeless Solutions (OHS) continues outreach efforts to house unsheltered individuals. OHS partnered with Housing Forward to launch the encampment decommissioning effort to offer individuals in established encampment housing solutions. The City's investment in innovative and effective interventions to address homelessness, emphasizing trust-based relationships, and a continuum of street outreach services. The Homeless Action Response Team (HART) is an inter-departmental initiative involving OHS, Integrated Public Safety Solutions (IPS), Public Works (PBW), Park and Recreation (PKR), Dallas Animal Services (DAS), Dallas Marshal's Office (CTS), and Code Compliance (CCS), with a budget of $3.2 million.

Housing for All

The Housing and Neighborhood Revitalization Department's (HOU) commitment to addressing racial equity concerns continues to develop housing policies and plans that support sustainable growth and development for communities that have historically been neglected. HOU's continued investment to maximize the use of funding sources like the Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), and American Rescue Plan Act (ARPA) funds will preserve and develop mixed-income housing citywide to address historical disparities and create more equitable neighborhoods.

PARKS, TRAILS, AND THE ENVIRONMENT

Delivering Equitable Environmental Solutions

The Office of Environmental Quality and Sustainability (OEQS) continues monitoring the impact of climate change on communities throughout the City, particularly in vulnerable populations. The Comprehensive Environmental and Climate Action Plan (CECAP) highlights the potential for increased extreme heat days by 2050. To ensure a more resilient future, the FY 2022-23 budget allocated $500,000 to advance CECAP commitments, with a focus on equitable investments through community outreach and engagement efforts. OEQS developed a comprehensive multimedia outreach, education, and engagement program to provide information on environmental stewardship and sustainability, energy efficiency, and other related topics in CECAP. Creative development and advertising campaigns throughout FY 2022-23 highlight Litter Abatement and WholeHomeDallas programs that interact with aspects of CECAP. Advancing CECAP, OEQS installed monitors for data platform and qualification procedures to test air quality. In FY 2022-23, OEQS installed monitors in thirteen locations throughout Dallas and currently working with DBI on updating the OEQS dashboard with these new locations. The promotion of equitable environmental and public health outcomes is dedicated to improving air and water quality throughout Dallas.

STRATEGIC DIRECTION

Addressing Brownfield Properties

The City is actively addressing the issue of brownfield properties, which are often abandoned or underutilized due to suspected environmental contamination from past industrial and commercial activities. In 2020, a coalition, led by the City and supported by various organizations, secured a $600,000 Brownfield Assessment Grant from the U.S. Environmental Protection Agency. This grant assists in identifying and prioritizing brownfield sites for environmental assessment and cleanup, facilitating redevelopment opportunities. In FY 2023, OEQS used the $1.5 million grant funding to establish the Brownfields program that continues to engage with community groups to properly assess revitalization needs. The program is partnering with GroundworkUSA to advance the Environmental Protection Agency (EPA) recommended community outreach practices and develop a GIS-based Brownfields inventory map. The Brownfields program's contribution to inventory development, site assessment, and remediation is to be managed by two environmental coordinators, supported by ongoing funding. The City's continued efforts in revitalization of brownfield properties and mitigation of environmental concerns directly promote community-led solutions for redevelopment and environmental improvement.

Improvements to Forest Management Standards

The City recognizes the significant value of its urban forests, which provide numerous environmental, health, and aesthetic benefits. The Urban Forest Master Plan (UFMP) enhances urban forest management across the city to include a comprehensive tree inventory. The FY 2022-23 budget allocated funding to address the Emerald Ash Borer (EAB), an invasive pest affecting ash trees, including treatments to slow its spread, tree removals for safety, and tree planting in City parks.

PUBLIC SAFETY

Investments to Dallas Police Department

The City continues to prioritize fair and competitive compensation for individuals who risk their lives to keep the community safe with a strong emphasis on police recruitment and retention. To address the well-documented need for a well-trained and robust police force in Dallas, the budget allocated resources to attract and retain officers. The Dallas Police Department (DPD) initiated a retention incentive to qualified staff of $40,000 for an additional two years of service and they were able to retain 70 officers.

Innovation Equipment and Technology

Equipping the DPD with advanced tools and technology to enhance public safety solutions include the integration of Automatic License Plate Reader (ALPR) technology into squad cars, upgrading radios, and replacing squad cars, amounting to a total of $46.8 million. DPD's investment in tools and technology for effective and innovative public safety solutions has integrated the ALPR Technology into dash cameras installed in marked cars with the replacement of 3,033 radios issued and 886 radios inventoried at the Quartermaster for future issuance.

STRATEGIC DIRECTION

Strengthening Dallas Fire-Rescue

Investments to enhance Dallas Fire Rescue (DFR) to support the recruitment and retention of firefighters to increase the number of training instructors for recruits, providing training resources and mentorship for recruits. The Single Function Paramedic Program expansion increased recruiting flexibility diversified the workforce, and improved response times by converting existing peak demand units into staffed paramedic units focused on ambulance service during peak call volume. DFR launched the Inspection Life Safety Education Night Detail team ensuring compliance and safety in entertainment zones and addressing emergency medical service demands. DFR continues to review of how the team has performed and implemented service delivery improvements to establish team goals for FY 2024.

QUALITY OF LIFE, ARTS, & CULTURE

Clean and Safe Neighborhoods

CCS' Proactive Teams are responsible for identifying and addressing illegal dumping sites before service requests are submitted by residents. In FY 2022-23, CCS identified and abated 30 illegal dumping site abatements per week and hired 14 positions to track the effectiveness of the Proactive Team. CCS added 12 Compliance officers to focus on the multi-family violent crime reduction plan in partnership with DPD and IPS. Dallas Public Library (LIB) advanced the City's efforts to provide Library access to invaluable resources, programs, and services to Dallas residents through expanding Library hours from five days per week to six days per week at 15 locations. This expansion resulted in 55 filled staff positions for children's services, workforce development, SMART summer participation and adult learning programs.

TRANSPORTATION & INFRASTRUCTURE

Life-Saving Improvements

The City's investments in Dallas' mobility infrastructure for safer travel through the Vision Zero Action Plan. In FY 2022-23, Department of Transportation (TRN) hired an engineer to focus on low-cost improvements that include safety evaluations for streets prone to high rates of injury, road safety improvements, and a citywide speed limit evaluation.

Infrastructure Investments

PBW investments in Dallas' infrastructure for enhanced safety and quality of life encompasses improvements to streets, alleys, bridges, sidewalks, and bike lanes, including expanding the bike lane network to address disparities in low-income neighborhoods through equitable infrastructure solutions. PBW spent $3.4 million through the Annual Bridge Maintenance Program to complete maintenance on 27 bridges with anticipated bridge maintenance construction. TRN completed the restriping of 320 lane miles and 864 crosswalks in FY 2022-23.

WORKFORCE, EDUCATION, & EQUITY

Workforce Empowerment

The positive link between diversity and innovation emphasizes the importance of a diverse workforce and empowering M/WBE. The Small Business Center (SBC) established the Mentor Protégé Program to support equity and capacity building of small and emerging businesses.

STRATEGIC DIRECTION

Education through Engagement

The Office of Equity and Inclusion (OEI) works closely with multicultural media outlets and leads efforts to establish cross-departmental practices rooted in equitable access and inclusion, addressing challenges like the digital divide, mistrust in government entities, and various languages spoken by Dallas' diverse residents. The launch of the Digital Navigators Program will advance the recommendations identified in the City's Broadband and Digital Equity Strategic Plan. Since the launch of the program, the City has provided internet access, affordable and reliable computer hardware, and digital literacy skills to 782 households.

Commitment to Equity

In support of advancing accessibility, the City maintains efforts in assessing facilities, reviewing departmental policies, and ensuring website and communication systems compliance with the Americans with Disabilities Act (ADA) Transition Plan for ADA compliance. OEI has completed ADA Building reviews, ADA security training materials, and ADA 101 training. OEI used funding allotted to the initiative and partnered with PKR for the design of ADA accessibility updates to the front entrance of the Martin Luther King, Jr. Recreation Center. The city emphasizes its commitment to equity, focusing on eliminating disparities and improving outcomes for all residents, with an emphasis on racial equity where one's race or ethnicity does not predict social outcomes or the ability to thrive.

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STRATEGIC DIRECTION

The pages below highlight several of Dallas' award-winning achievements in FY 2023.

Pursuing Financial Excellence and Performance

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2022. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for the preparation of state and local government financial reports. To be awarded a Certificate of Achievement, the City had to publish an easily readable and efficiently organized report that satisfied both generally accepted accounting principles and applicable program requirements. The City first received this award for FY 1981 and has received it consecutively for the past 17 years— every year since FY 2006.

A Certificate of Achievement is valid for a period of only one year. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The City also received the GFOA Distinguished Budget Presentation Award for its annual budget for the fiscal year beginning October 1, 2022. This is the highest award in governmental budgeting. To receive this award, a government unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communication device. This is the 24th consecutive year that GFOA has recognized the City for its annual budget document.

The City of Dallas received the following awards/accolades as it relates to Strategic Priority areas:

Economic Development

The Asian American Contractors & Professionals Association AACPA Annual Awards Gala & Expo awarded the City's Small Business Center for the 2022 Most Outstanding Public Entity of the Year. The Office of Economic Development (ECO) recognized by the International Economic Development Council (IEDC) in the categories of Real Estate Redevelopment & Reuse, Innovative Project Financing, and Neighborhood Development. The City received the 2023 All-American City title given through the National Civic League for the theme of "Creating Thriving Communities through Youth Engagement." The 2023 Smart 50 Awards presented by Smart Cities Connect to certify Red Cloud Neighborhood Smart Cities Pilot Project in District 5, this is the first smart community located in Southeast Dallas.

Government Performance and Financial Management

Budget & Management Services received the Transparency Star Award for the City of Dallas' Traditional Finances from the Texas Comptroller of Public Accounts in recognition of transparency efforts and access to financial summary information.

The City has been selected as one of 24 cities to participate in the inaugural CitiesForward Program, a collaborative initiative between the U.S. State Department, ICLEI-Local Governments for Sustainability, Resilient Cities Catalyst, and the Institute of the Americas.

STRATEGIC DIRECTION

Parks, Trails, and the Environment

Dallas Water Utilities (DWU) received LEED Silver Certification from U.S. Green Building Council for Stormwater Operations Center. DWU was awarded the National Association of Clean Water Agencies (NACWA) Peak Performance Silver Award for Southside Water Treatment Plant and Central Wastewater Treatment Plant. The Bachman Water Treatment Plan earned the Texas Commission on Environmental Quality (TCEQ) Texas Optimization Program (TOP) award for 15 years of continuous compliance. Additionally, the Elm Fork Water Treatment Plant is being recognized with a 10-year award.

The American Water Works Association (AWWA) Partnership for Safe Water awarded DWU with the 25-Year Director's Award and received multiple placements for Big D Lady Tappers Pipe Tapping Team pipe tapping competition making DWU four-time national champions.

The DWU's Pretreatment and Laboratory Services Division (PALS) successfully passed the Texas Commission of Environmental Quality (TCEQ) National Environmental Laboratory Accreditation Program (NELAP) audit.

The Able Pump Station received the Outstanding Texas Civil Engineering Achievement Award (OCEA) and the National Honor Award from the American Society of Civil Engineers (ASCE). The Able Pump Station is recognized in the *Engineering and Public Works Roadshow* series hosted by ASCE, American Council of Engineering Companies (ACEC), and American Public Works Association (APWA).

The Integrated Pipeline Project (IPL) was selected by ASCE's Utility Engineering and Surveying Institute to receive the 2023 Project of the Year Award.

The City received the Urban Forest Enhanced Award from the Trinity Backlands Urban Forestry Council for efforts to increase the urban tree canopy in Dallas.

Quality of Life, Arts, and Culture

The Office of Arts & Culture received the 2023 Irma P. Hall Medal for Community Engagement at the Irma P. Hall Black Theatre Awards presented by the DFW Black Arts Council in recognition of community engagement efforts with artists and arts organizations within the City.

Workforce, Education, and Equity

The Dallas Business Journal awarded the City a 'Leaders in Diversity' Award for work to operationalize equity in government and the adoption of the Racial Equity Plan. Dallas Love Field (DAL) was recognized as the winner of two categories at 2022 Airports Council International – North America (ACI-NA) Excellence in Airport Marketing Communications, and Customer Experience (MarComCX) Awards.

STRATEGIC DIRECTION

The Communications, Outreach, and Marketing Department was recognized by the Texas Association of Telecommunication Officers & Advisors (TATOA) in four Government Programming Award (GPA) in the following categories:

- 1st place: Future of Work Forum – Public Affairs Program
- 2nd place: Dallas: An All-American City – Diversity, Equity, & Inclusion
- 3rd place: Overall Excellence – Government Programming

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FINANCIAL INFORMATION

FINANCIAL REPORTING ENTITIES

The financial statements of the City include all activities, organizations, and functions for which the City is financially accountable. In addition to the general government, enterprise, and internal service functions described in the *About Dallas* section of this transmittal letter, 19 tax increment financing districts are also included in the City's reporting entity.

Although the pension trust funds are separate legal entities, they exist to exclusively serve or benefit the City's employees, retirees, and their beneficiaries, and are included in the City's reporting entity as blended component units. The pension trust funds include: Employees' Retirement Fund; Dallas Police and Fire Pension System; Police and Fire Supplemental Pension Fund; 401(k) Retirement Savings Plan; 457 Deferred Compensation Plan; and 457 Deferred Compensation Plan for Part-time, Seasonal, Temporary Employees, and City Councilmembers.

The Love Field Airport Modernization Corporation (LFAMC) and the Trinity River Corridor Local Government Corporation (LGC) are also separate legal entities included in the City's reporting entity as blended component units. The LFAMC was created to facilitate construction at Love Field Airport, while the Trinity River Corridor LGC was created for the design, planning, development, financing, operation, and maintenance of City fee-owned property for public recreation uses in a portion of the Trinity River Corridor. More information regarding the blended component units is included in Note 1(B).

Discretely presented component units are other legally separate entities that are also included in the City's reporting entity based on the criteria set forth in the Codification of Governmental Accounting Standards, Section 2100, *Defining the Financial Reporting Entity*.

The criteria considered in determining the activities to be reported within the City's financial statements are included in Note 1(B). Based on those criteria, the following organizations are included as discretely presented component units of the City for financial reporting purposes:

- The Housing Finance Corporation issues tax-exempt mortgage revenue bonds to encourage opportunities for single-family residential home ownership among low- to moderate-income residents.
- The Housing Acquisition and Development Corporation provides safe and affordable housing for low- and moderate-income persons.
- The Dallas Development Fund was organized to assist in carrying out the economic development program and objectives of the City by generating private investment capital through the New Markets Tax Credit Program to be made available for investment in low-income communities.
- The Downtown Dallas Development Authority is a separate legal entity established to promote economic development of the downtown area and improve the tax base.
- The North Oak Cliff Municipal Management District was organized to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, the arts, entertainment, economic development, safety, the public welfare in the District, and educational scholarships for college-bound students residing in or out of the District.

FINANCIAL INFORMATION

- The Cypress Waters Municipal Management District was organized to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation and the arts, entertainment, economic development, safety, and the public welfare in the District.
- The Dallas Public Facility Corporation (DPFCC) was created to assist the City in financing, refinancing, or providing public facilities that are located within the city limits of the City of Dallas. In general, the DPFC seeks to develop and preserve mixed-income workforce housing communities to serve residents earning at or below 80 percent of the area median income as well as provide non-income restricted units.
- The Dallas Convention Center Hotel Development Corporation was created to promote the development of the geographic area of the city included at or in the vicinity of the Dallas Convention Center to promote, develop, encourage, and maintain employment, commerce, convention and meeting activity, tourism, and economic development in the City including specifically, without limitation, the development and financing of a convention center hotel located within 1,000 feet of the Dallas Convention Center.

Related organizations not included as part of the reporting entity are the Dallas-Fort Worth International Airport, the Dallas Housing Authority, and Dallas Area Rapid Transit. The reason for not including these entities is because the City's accountability does not extend beyond appointing members to the boards.

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FINANCIAL INFORMATION

FINANCIAL MANAGEMENT

Strong financial management within the City begins with adherence to a comprehensive set of financial policies. The City Council originally adopted the Financial Management Performance Criteria (FMPC) on March 15, 1978, to provide standards and guidelines for the City's financial managerial decision making and to provide for a periodic review of the criteria to maintain standards and guidelines consistent with current economic conditions. The FMPC have been revised periodically since their adoption. The status of each criterion is updated annually and presented with the annual budget, at year-end, and for each debt issuance. The FMPC contains 55 criteria in seven different categories, in addition to 13 criteria specific to Dallas Water Utilities:

- Operating Program: Criteria 1-14
- Pension Program: Criteria 15-16
- Budgeting and Planning: Criteria 17-25
- Capital and Debt Management: Criteria 26-41
- Economic Development: Criteria 42-49
- Accounting, Auditing, and Financial Planning: Criteria 50-52
- Grants and Trusts: Criteria 53-55
- Dallas Water Utilities: Criteria DWU 1-13

The City's management is responsible for establishing and maintaining internal controls designed to ensure the assets of the government are protected from loss, theft, or misuse, and to ensure adequate accounting data are compiled to allow for preparation of financial statements in conformity with accounting principles generally accepted in the United States of America.

In late 2017, the City established an Executive Finance and Controls Committee (EFCC), chaired by the Chief Financial Officer and consisting of the assistant city managers and chiefs, Chief Information Officer, City Controller, and director of the Office of Budget and Management Services. The EFCC lays the foundation for our internal control framework, monitors the external audit including any findings, and leads by example to demonstrate the City's commitment to ethics and integrity.

The City also established a new contract management program during 2019 under the oversight of the Chief Financial Officer to ensure parties meet their respective commitments and deliver the intended outcomes. As part of the program, each department has authorized individuals to monitor specific aspects of contract performance.

During FY 2023, 183 individuals participated in a certification program to become a Dallas Contracting Officer Representative (D-COR). Approximately 725 individuals have participated in the program since inception in 2019. The D-COR program is managed by the Office of Procurement Services and is designed to strengthen knowledge and standardize the City's approach to contract management, including the development of contract monitoring plans.

FINANCIAL INFORMATION

The City Controller's Office is accountable for internal accounting controls designed to provide reasonable, but not absolute, assurance regarding: 1) the safeguarding of assets against loss from unauthorized use or disposition; 2) the reliability of financial records for preparing financial statements; and 3) accountability for assets. The concept of reasonable assurance recognizes the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgments by management.

Annually, each department is required to conduct a self-assessment of internal controls. The results of these assessments are reported to the City Manager with an action plan to correct any identified deficiencies. In addition, beginning with the FY 2017 audit, each department director was required to sign a management representation letter in connection with the preparation of the annual comprehensive financial report. In FY 2020, the City Controller's Office significantly revised the Internal Control Self-Assessment (ICSA) and increased its scrutiny of department responses to ensure quality.

Furthermore, as a recipient of federal and state assistance, the City is also responsible for ensuring adequate internal controls are in place to comply with applicable laws, regulations, contracts, and grants related to those programs. As part of the City's single audit, tests are made to determine the adequacy of the internal control, including that portion relative to federal and state financial awards, as well as to determine whether the City has complied with applicable laws, regulations, contracts, and grants.

Internal controls are also subject to periodic evaluation by management and the City Auditor. The City Council is required by charter to appoint a City Auditor who is independent of City management and reports directly to the City Council. The City Auditor supports the internal control structure within the City by performing independent evaluations of existing accounting and administrative controls and by ascertaining compliance with existing plans, policies, and procedures.

To increase accountability and internal controls, the City Controller's Office created an audit liaison function to support departments in responding comprehensively and accurately to internal audit findings and recommendations. This includes attending entrance and exit conferences and status meetings, facilitating communication between the departments and the City Auditor's Office, assisting with implementation of recommended process improvements, and updating executive management as needed.

All internal control evaluations occur within the above framework. We believe the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

FINANCIAL INFORMATION

The City Charter provides that the City Council shall annually appropriate adequate funds in an amount to execute the policies and service delivery plans of the City. City management annually prepares the plan of services for the upcoming fiscal year and the estimated costs, along with a five-year forecast. The annual plan is reviewed by the City Council and is formally adopted by the passage of a budget ordinance. The ordinance provides for budgetary control at the department level and these budgets cannot be exceeded without City Council approval. Budgetary control is enforced at the department level by reserving appropriations and encumbering purchase orders and contracts. Open encumbrances are reported, where applicable, as assigned fund balance.

MANAGEMENT DISCLAIMER

Chapter III, Section 19 of the City Charter requires, "the annual financial statements and related records and accounts of the City to be audited annually by a firm registered with the Texas State Board of Public Accountancy as a firm practicing public accountancy." We were pleased to continue a relationship with Weaver Tidwell, LLP this year; we appreciate their professionalism.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control established for this purpose. Because the costs of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Thank you for your attention to this summary of the state of the City's finances and our achievements in the last fiscal year. We strive to be good stewards of the resources with which we are entrusted. Please refer to the following sections for the full auditor's report, the City's annual financial statements, and supporting statistical information.

Respectfully submitted,

T.C. Broadnax
City Manager

Jack Ireland
Chief Financial Officer

Sheri Kowalski, CPA, CIA, CISA
City Controller

CITY OF DALLAS, TEXAS
ELECTED OFFICIALS SEPTEMBER 30, 2023

Mayor Eric Johnson
At-Large

Chad West
District 1

Jesse Moreno
District 2

Zarin D. Gracey
District 3

Carolyn King Arnold
Deputy Mayor Pro Tem, District 4

Jaime Resendez
District 5

Omar Narvaez
District 6

Adam Bazaldua
District 7

Tennell Atkins
Mayor Pro Tem, District 8

Paula Blackmon
District 9

Kathy Stewart
District 10

Jaynie Schultz
District 11

Cara Mendelsohn
District 12

Gay Donnell Willis
District 13

Paul E. Ridley
District 14

“Our Product is Service”
Empathy | Ethics | Excellence | Engagement | Equity

CITY OF DALLAS, TEXAS

APPOINTED OFFICIALS SEPTEMBER 30, 2023

Your elected officials, the Mayor and City Council, appoint the executive leadership of the City, specifically:

- City Manager T.C. Broadnax, appointed in February 2017
- City Attorney Tammy Palomino, appointed interim March 2023
- City Auditor Mark S. Swann, appointed in May 2019
- City Secretary Bilierae Johnson, appointed in April 2018
- Municipal Court judges

The City Manager appoints an executive leadership team that collectively oversees the City's approximately 13,600 employees and over $4.5 billion budget.

EXECUTIVE LEADERSHIP TEAM

T. C. Broadnax
City Manager

Kimberly Bizor Tolbert
Deputy City Manager

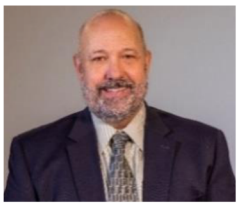
Jon Fortune
Deputy City Manager

Majed Al-Ghafry
Assistant City Manager

Liz Cedillo-Pereira
Assistant City Manager

Robert Perez
Assistant City Manager

Carl Simpson
Assistant City Manager



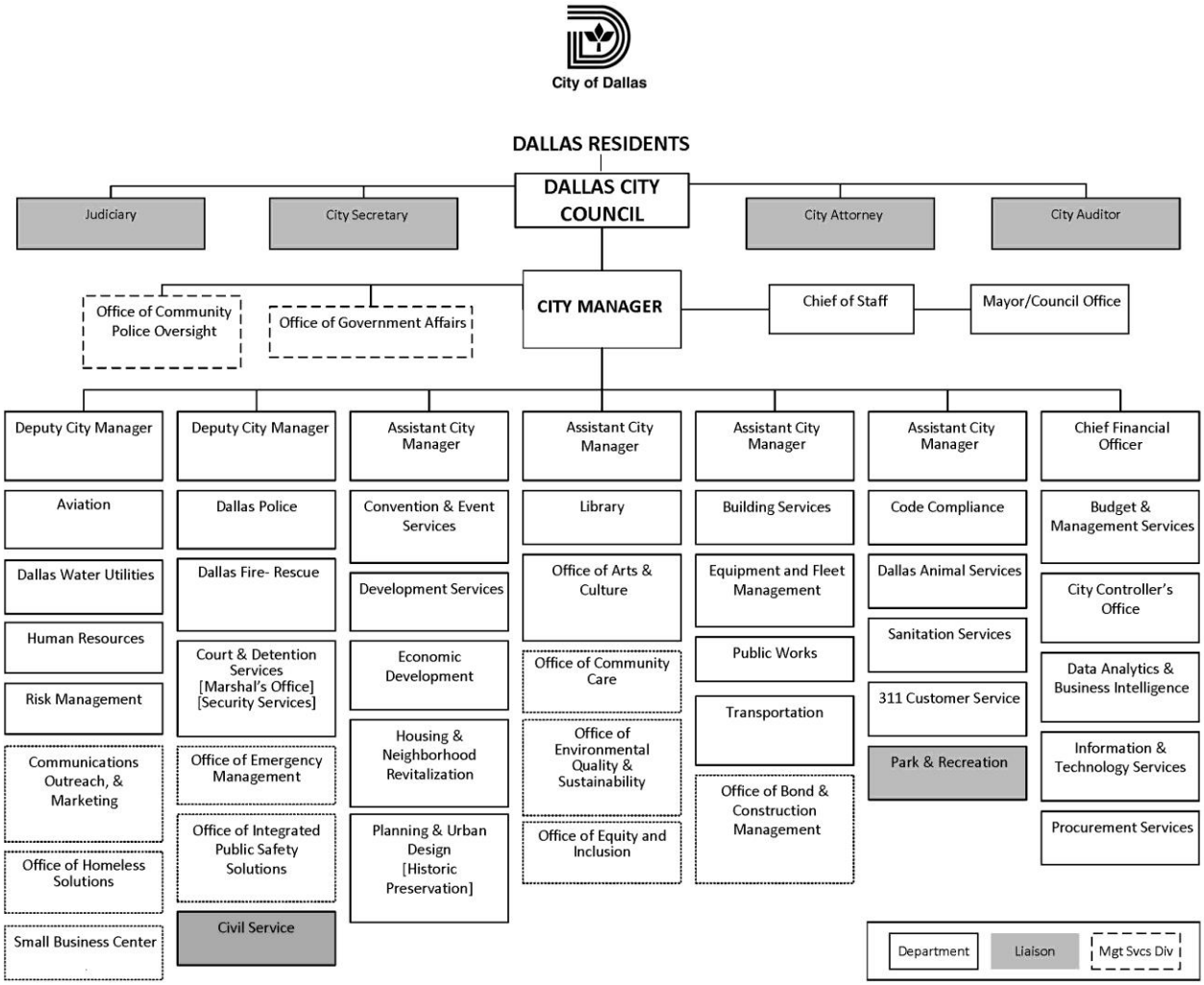
Jack Ireland
Chief Financial Officer

Genesis Gavino
Chief of Staff

Additionally, the City Manager appoints all department directors except:

- The Director of Civil Service, who is appointed by the Civil Service Board; and
- The Director of the Park and Recreation Department, who is appointed by the Park and Recreation Board.

CITY OF DALLAS, TEXAS
ORGANIZATIONAL CHART SEPTEMBER 30, 2023



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Dallas
Texas

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2022

Christopher P. Morrill

Executive Director/CEO

“Our Product is Service”
Empathy | Ethics | Excellence | Engagement | Equity

FINANCIAL SECTION

weaver
Assurance • Tax • Advisory

Independent Auditor's Report

The Honorable Mayor and Members of City Council
City of Dallas, Texas

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Dallas, Texas (the City), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of other auditors, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Dallas, Texas, as of September 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Dallas Police and Fire Pension System and the Supplemental Police and Fire Pension Plan of the City of Dallas, which are blended component units, which represent 21%, 25%, and -1% of the assets, net position/fund balances, and revenues/additions, respectively, of the aggregate remaining fund information. We also did not audit the financial statements of the Dallas Housing Acquisition and Development Corporation and the Dallas Development Fund, which are discretely presented component units, which represent 1%, -31%, and 1% of the assets, net position, and revenues, respectively, of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as it relates to the amounts included for those component units, are based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1Y to the basic financial statements, during the year ended September 30, 2023, the City implemented Governmental Accounting Standards Board (GASB) Statements No. 91, *Conduit Debt Obligations*, No. 96, *Subscription-Based Information Technology Arrangements* and No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. Beginning net position of the business-type activities and airport revenues fund have been restated as a result of the implementation of GASB Statement No. 91, *Conduit Debt Obligations*. Our opinions are not modified with respect to these matters.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in the City's net pension liability and related ratios-pension plans, schedule of City contributions to pension plans, notes to the schedule of City contributions to pension plans, and schedule of changes in the City's total liability and related ratios - Other Postemployment Benefits, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and the other auditors have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual fund financial statements and budgetary comparison schedule-debt service fund are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS by us and other auditors. In our opinion, the accompanying combining and individual fund financial statements and budgetary comparison schedule-debt service fund are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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The Honorable Mayor and Members of City Council
City of Dallas, Texas

Other Information Included in the Annual Comprehensive Financial Report (ACFR)

Management is responsible for the other information included in the ACFR. The other information comprises the introductory section and statistical section but does not include the financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
February 28, 2024

As management of the City of Dallas (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2023. The City's management's discussion and analysis is designed to (1) assist the reader in focusing on significant issues, (2) provide an overview of the City's financial activity, (3) identify changes in the City's financial position (its ability to address the next and subsequent year challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual major fund issues or concerns. We encourage readers to consider the information presented here in conjunction with the accompanying transmittal letter, which can be found on pages v-xxix of this report. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by approximately $3.7 billion.
- The City's governmental activities net position increased from the beginning net position by $490.3 million while the business-type activities net position increased by $268.8 million.
- As of the close of fiscal year 2023, the City's governmental funds reported combined ending fund balances of $1.8 billion, an increase of $403.2 million.
- At the end of the current fiscal year, unassigned fund balance for the general fund was $386.7 million, or approximately 22.4 percent of the total general fund expenditures, including transfers out.
- The City's governmental long-term liabilities had a net increase of $2.1 billion from the prior balance of $6.6 billion. The City's business-type activities long-term liabilities increased $881.2 million from the prior year's balance of $5 billion.

OVERVIEW OF THE FINANCIAL STATEMENTS

The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements: The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to private-sector business and are made up of the following two statements: the statement of net position and the statement of activities. These statements are prepared using the economic resources measurement focus and the accrual basis of accounting.

The statement of net position presents information on all the City's assets and deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. The statement of net position combines and consolidates governmental funds current financial resources (short-term spendable resources) with capital assets and long-term obligations. Other non-financial factors should also be taken into consideration, such as changes in the City's property tax base, the condition of the City's property tax base, and the condition of the City's infrastructure (i.e. roads, drainage improvements, storm and sewer lines, etc.) to assess the overall health or financial condition of the City.

The statement of activities presents information showing how the City's net position changed during the fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g. uncollected taxes and unused compensated absences).

Both government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from functions that are intended to recover all or a portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, code enforcement, environmental and health services, streets, public works, and transportation, equipment and building services, culture and recreation services, housing, and human services.

The business-type activities of the City include water and sewer utilities, convention center, airport, sanitation and landfill, municipal radio, and building inspections. The airport revenue fund includes the activities of the Love Field Airport Modernization Corporation (LFAMC), a blended component unit.

The government-wide financial statements reflect not only the activities of the City itself (known as the primary government), but also those of the eight separate legal entities for which the City is financially accountable – the Downtown Dallas Development Authority (DDDA), North Oak Cliff Municipal Management District, Cypress Waters Municipal Management District, Housing Finance Corporation, Housing Acquisition and Development Corporation, Dallas Development Fund, Dallas Convention Center Hotel Development Corporation, and Dallas Public Facility Corporation (DPFC) which are reported as discretely presented component units separately from the primary government itself.

The government-wide financial statements can be found on pages 17-19 of this report.

Fund Financial Statements: A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains twenty-five individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the general, debt service funds, which are considered to be major funds. Data from the other twenty-three funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the combining financial statements section of this report.

The City adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 20-23 of this report.

Proprietary Funds: Proprietary funds are generally used to account for services for which the City charges customers – either outside customers, or to other units within the City. Proprietary funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. The proprietary funds financial statements provide the same type of information as shown in the government-wide financial statements, only in more detail. The City maintains two types of proprietary funds:

- Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for the airport, convention center, municipal radio, building inspection, sanitation, and water utilities operations. All of the City's enterprise funds, except the municipal radio and building inspection, are considered major funds.

- Internal Service funds accumulate and allocate costs internally among the City's various functions. The City uses its internal service funds to account for its equipment services, communication equipment, office services, information services, risk management programs, and bond program administration. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. All internal service funds are combined into a single aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the combining financial statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 26-33 of this report.

Fiduciary Funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the City. The City's pension trust and custodial funds are reported under the fiduciary funds. Since the resources of these funds are not available to support the City's own programs, they are not reflected in the government-wide financial statements. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 34-35 of this report.

Notes to the Basic Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found immediately following the basic financial statements. The notes to the financial statements can be found on pages 36-128 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The City's combined net position was approximately $3.7 billion as of September 30, 2023. Analyzing the net position of governmental and business-type activities separately, the governmental activities had a deficit balance of approximately $331.8 million and the business-type activities net position was approximately $4.1 billion. This analysis focuses on the assets and deferred outflows of resources, liabilities and deferred inflows of resources, and net position (Table 1), and changes in revenues and expenses (Table 2) of the City's governmental and business-type activities.

Table 1
Net Position (in thousands)

	Governmental Activities		Business-type Activities		Totals	
	2023	2022*	2023	2022*	2023	2022*
Current and other assets	$ 2,708,486	$ 2,333,542	$2,205,708	$1,868,482	$ 4,914,194	$ 4,202,024
Capital assets	5,205,373	4,923,690	7,848,464	7,558,679	13,053,837	12,482,369
Total assets	7,913,859	7,257,232	10,054,172	9,427,161	17,968,031	16,684,393
Deferred outflows of resources	1,713,871	762,836	533,645	211,882	2,247,516	974,718
Long-term liabilities*	8,702,982	6,625,546	5,860,110	4,978,936	14,563,092	11,604,482
Other liabilities	519,694	547,532	295,740	277,774	815,434	825,306
Total liabilities	9,222,676	7,173,078	6,155,850	5,256,710	15,378,526	12,429,788
Deferred inflows of resources	736,878	1,669,122	363,776	582,905	1,100,654	2,252,027
Net position:						
Net investment in capital assets	3,176,714	3,104,432	3,877,983	3,661,142	7,054,697	6,765,574
Restricted	925,260	626,035	356,826	350,215	1,282,086	976,250
Unrestricted (deficit)	(4,433,798)	(4,552,599)	(166,618)	(211,929)	(4,600,416)	(4,764,528)
Total net position (deficit)	$ (331,824)	$ (822,132)	$4,068,191	$3,799,428	$ 3,736,367	$ 2,977,296

* Restated - see note 1Y

The largest portion of the City's net position reflects its investments in capital assets (e.g., land, building, equipment, improvements, construction in progress and infrastructure), less any debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide service to citizens and, consequently, they are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Net position of the governmental activities increased $490.3 million. Overall revenues and transfers in increased $244.3 million, due primarily to increases in ad valorem tax and sales tax revenues of $122.5 million and $18.2 million, respectively, related to increases in property values, additions through new construction, and increased consumer spending. Additionally, investment income increased $93.4 million due to an increase in the average rate of return on investments during fiscal year 2023. Operating grants also increased $13 million. These increases were offset by small decreases in charges for services, capital grants and contributions, and other income of approximately $16.4 million.

Long-term liabilities increased by $2.1 billion in the governmental activities due primarily to an increase in net pension liability of approximately $1.8 billion, an increase in general obligation bonds, tax and revenue certificates and equipment acquisition notes of $254.3 million. In addition, leases increased $104 million, and claims liabilities increased $14 million. These increases were offset by a decrease in developer payables of $38.5 million, a decrease in financed purchases of $29.9 million, a decrease in commercial paper of $9.2 million, and a decrease in other post-employment benefits of $10.9 million.

The business-type activities long-term liabilities increased $881.2 million, due mainly to increases in the overall net pension liability of $636.4 million. Additionally, the water revenue bonds increased $149.6 million and the water transmission financing agreement increased $233.6 million. Dallas Water Utilities commercial paper decreased $31.2 million in commercial paper. Additionally, the Aviation commercial paper, general airport revenue bonds, revenue credit agreement, and leases decreased $50 million, $25.6 million, $9.7 million and $7.5 million, respectively.

An additional portion of the City's net position ($925.3 million governmental activities and $356.8 million business-type activities) represents resources that are subject to external restrictions on how they may be used. The remaining balance in net position is unrestricted.

In governmental activities, there is a deficit unrestricted net position of $4.4 billion as a result of long-term liabilities for items such as bonds, compensated absences, unfunded risk liabilities, net pension liability, other postemployment benefits, pollution remediation, pension obligation bonds, and sales tax liability. Because of the focus on current assets and liabilities, the City's budget is developed to address the needs of current operations. The City plans to fund long-term liabilities in future budgets as those liabilities consume current assets. In business-type activities, there is a deficit unrestricted net position of $166.6 million, primarily for items such as the sanitation landfill closure/postclosure liability, as well as compensated absences, net pension liability and other postemployment benefits for all business-type activities.

Analysis of the City's Operations

The table on the following page provides a summary of the City's operations for the fiscal year ended September 30, 2023, with comparative totals for the fiscal year ended September 30, 2022. The governmental activities net position increased by $490.3 million and business-type activities net position increased by $268.8 million. Key elements of these changes in net position are as shown in the following table.

Table 2
Change in Net Position (in thousands)

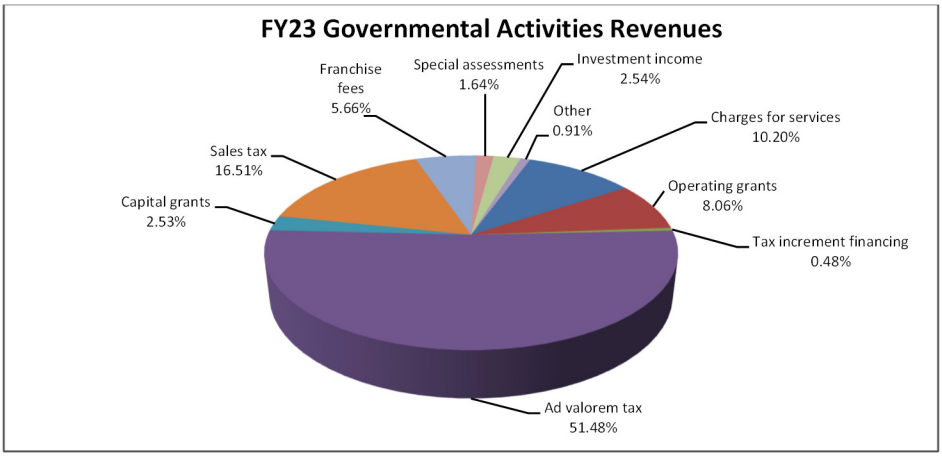
	Governmental Activities		Business-type Activities		Totals	
	2023	2022	2023	2022*	2023	2022*
Revenues:						
Program revenues:						
Charges for services	$ 262,941	$ 269,330	$ 1,272,249	$ 1,190,532	$ 1,535,190	$ 1,459,862
Operating grants and contributions	207,627	194,660	48,551	33,768	256,178	228,428
Capital grants and contributions	65,108	71,662	58,093	24,260	123,201	95,922
General revenues:						
Ad valorem tax	1,326,845	1,204,389	-	-	1,326,845	1,204,389
Tax increment financing revenue	12,275	11,466	-	-	12,275	11,466
Special assessments	42,259	36,379	-	-	42,259	36,379
Sales tax	425,543	407,309	-	-	425,543	407,309
Franchise fees	146,000	144,603	-	-	146,000	144,603
Hotel occupancy tax	-	-	103,587	70,365	103,587	70,365
Alcohol beverage tax	-	-	17,844	16,940	17,844	16,940
Investment income	65,396	(27,985)	51,181	(15,555)	116,577	(43,540)
Other	23,491	26,920	874	1,139	24,365	28,059
Total revenues	2,577,485	2,338,733	1,552,379	1,321,449	4,129,864	3,660,182
Expenses:						
General government	499,761	437,888	-	-	499,761	437,888
Public safety	798,664	618,090	-	-	798,664	618,090
Code enforcement	73,223	52,944	-	-	73,223	52,944
Environmental and health services	18,171	15,949	-	-	18,171	15,949
Streets, public works, and transportation	320,738	279,743	-	-	320,738	279,743
Equipment and building services	52,804	40,417	-	-	52,804	40,417
Culture and recreation	253,224	198,455	-	-	253,224	198,455
Housing	4,760	4,074	-	-	4,760	4,074
Human services	33,839	33,906	-	-	33,839	33,906
Interest on long-term debt	72,606	69,798	-	-	72,606	69,798
Dallas Water Utilities	-	-	715,299	606,180	715,299	606,180
Convention center	-	-	128,809	106,758	128,809	106,758
Airport revenues	-	-	180,427	154,951	180,427	154,951
Sanitation	-	-	161,095	131,315	161,095	131,315
Municipal radio	-	-	1,554	2,054	1,554	2,054
Building inspection	-	-	55,819	39,849	55,819	39,849
Total expenses	2,127,790	1,751,264	1,243,003	1,041,107	3,370,793	2,792,371
Excess before transfers	449,695	587,469	309,376	280,342	759,071	867,811
Transfers	40,613	35,023	(40,613)	(35,023)	-	-
Increase in net position	490,308	622,492	268,763	245,319	759,071	867,811
Net position (deficit) - beginning of year	(822,132)	(1,444,624)	3,855,723	3,610,404	3,033,591	2,165,780
Restatement for GASB 91	-	-	(56,295)	-	(56,295)	-
Net position (deficit) - end of year	$ (331,824)	$ (822,132)	$ 4,068,191	$ 3,855,723	$ 3,736,367	$ 3,033,591

*Restated, see note 1Y

Governmental Activities

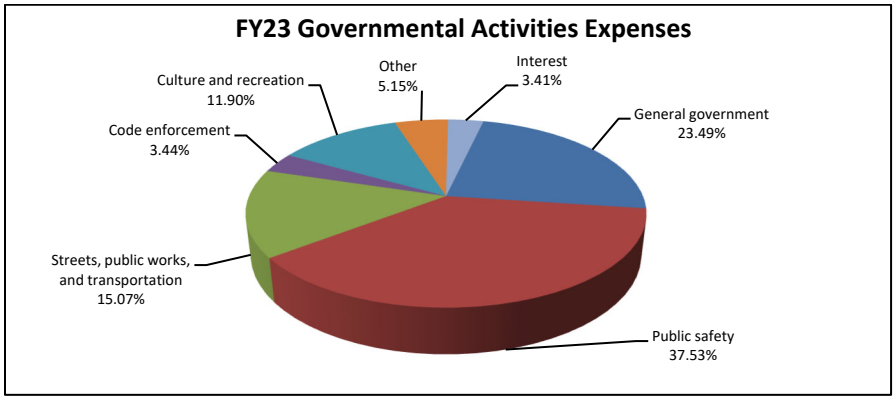
The governmental activities deficit net position decreased $490.3 million in fiscal year 2023. Total revenues and transfers increased $244.3 million, or 8.3 percent from fiscal year 2022. Significant changes in revenue include the following:

- Ad valorem tax revenues increased $122.5 million due to an increase in the certified property tax values as well as new properties added to the valuation.
- Sales tax revenue increased $18.2 million due to increased discretionary customer spending and increases in overall costs of goods and services.
- Operating grants and contributions increased by $13 million, due primarily to increases in revenue recognized for COVID-19 response.
- The average interest rate on investments increased from 0.606 percent in 2022 to 3.289 percent in 2023. This resulted in an increase in investment income of $93.4 million.



Total governmental activities expenses increased approximately $377 million, or 22 percent, from fiscal year 2022.

- General government expenses increased $62 million, primarily due to increases in salaries, benefits, and pension expenses, offset by decreases in expenses related to COVID-19 response.
- Public safety expenses increased $180.6 million, due mostly to increases in salaries and benefits of approximately $69.6 million and an increase in pension expense of approximately $70 million. Additionally, contractual services increased approximately $26.8 million, amortization of right-to-use assets increased $7.8 million, and supplies and materials expense increased $2.9 million.
- Code enforcement expenses increased $20.3 million, due mainly to increases in salaries and benefits related to staff growth and increased pension expense.
- Streets, public works, and transportation expenses increased $41 million, due primarily to increases of approximately $4.9 million in salaries and benefits, $1.5 million in supplies and materials, $3 million in contractual services, and $32 million in pension expense.
- Equipment and building services expenses increased $12.4 million, primarily due to increased expenses for salaries and benefits, pension expense, and continued COVID-19 response.
- Culture and recreation expenses increased by $54.8 million, due primarily to an increase of $8.3 million in contractual services, an increase of $9.8 million in salaries and benefits, and an increase of $30 million in pension expense.



Business-type Activities

Business-type activities net position increased $269 million during fiscal year 2023. Total revenues increased $231 million from fiscal year 2022.

Significant changes in revenues include the following:

- During fiscal year 2023, Dallas Water Utilities operating revenues increased $41.1 million from increased consumption combined with a 3.5 percent increase in wholesale rates and a 5 percent increase in retail rates. Investment income increased $40 million, mainly due to an increased average interest rate on the City's investment pool.
- Convention Center hotel occupancy taxes increased $33.2 million, due mainly to $17 million in revenues from a new 2 percent hotel occupancy tax that began on January 1, 2023 for improvements to the convention center and Fair Park. Hotel occupancy tax revenues also increased by an additional $15.4 million due to improvements in travel and tourism in the City. Alcohol and beverage tax increased $.9 million. Customer charges increased $16.9 million, due primarily to growth in convention and event services.
- During fiscal year 2023, total airport revenues increased $47.4 million. Increased traffic at Love Field resulted in increases in customer charges and passenger facility charges, concession fees, rental fees, landing fees, passenger facility charges. Interest income also increased due to higher interest rates on pooled investments. Intergovernmental revenues increased $15.2 million due primarily to the receipt of federal COVID funding.
- Sanitation customer charges increased $7.5 million, mainly due to a rate increase of approximately 4.4 percent.
- Operating revenues in the nonmajor enterprise funds decreased $4.5 million, due mainly to decreases in building inspections.

Total business-type activities expenses increased $202 thousand from fiscal year 2022. The following items contributed to changes in expenses during fiscal year 2023:

- Dallas Water Utilities personnel expenses increased $57.2 million, due mainly to a $47.6 million increase in pension expense, an increase in salaries and wages of $6.4 million and an increase in health insurance of $2 million. Supplies and materials expense increased $21.3 million due primarily to an increase in chemical costs and water supplies. Contractual services expense increased $16.3 million due to an increase of $6 million for contractor service fees, an increase of $2.1 million in repairs and maintenance for service equipment, an increase of $1.9 for street rental payments to the general fund and $4.4 million in maintenance and operations expenses for the integrated pipeline. Interest on bonds and notes increased $11.2 million.
- Convention Center contractual services increased $24.4 million, due primarily due to increases in professional services of $10.2 million, food and laundry services of $6.3 million, and advertising of $2.7, in additional to overall increases related to growth in hosted events during the fiscal year.
- Airport personnel expenses increased $13.2 million due primarily to an increase of $10.9 million in pension expense as well as slight increases in salaries and benefits. Contractual services increased $12.8 million, due to overall increases in operating costs for increases in passenger traffic.
- Sanitation expenses increased $30 million. This was due primarily to an increase of $25.1 million in personnel services related a $20 million increase in pension expense and a $5.1 million increase in salaries and benefits. Contractual services increased $4.4 million related to the use of contracted services during a nation-wide labor shortage, combined with overall increases in operational costs.
- Personnel services in the nonmajor enterprise funds increased $13.3 million, due mainly to an increase in pension expense of $9.7 million, as well as overall increases in salaries and benefits.

Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds: The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of fiscal year 2023, the City's governmental funds reported combined ending fund balance of $1.8 billion, an increase of $403.2 million in comparison with the prior fiscal year fund balance. The general fund and debt service fund balances increased by $25 million and $16.4 million respectively, while the nonmajor fund balances increased by $362 million. The increase in the debt service fund was primarily due to an increase in ad valorem taxes related to increases in property values and new properties added to the valuation. The nonmajor fund balances increased $362 million, mainly due the issuance of $499.7 in bonds, certificates of obligation, and equipment acquisition notes, offset by increases in expenses for construction, as the City is utilizing bond proceeds to finance capital improvements, repairs, and maintenance.

The general fund is the chief operating fund of the City, and its fund balance increased $25 million in fiscal year 2023 compared to the prior year's increase of $41.8 million. This increase was primarily due to increases of $67.7 million in ad valorem tax related to increases in property tax valuations and new properties. Additionally, sales tax revenues increased $18 million, due to continually increased consumer activity. These increases in revenues were offset by overall increases in expenditures for payroll, supplies and materials, and contractual services. Transfers out increased $10.4 million, mainly due to transfers of $8.4 million to the Police special revenue fund for 911 emergency operations.

Approximately $386.7 million of the general fund's total fund balance of $467.3 million constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is nonspendable, restricted, committed, or assigned to indicate that it is not available for new spending because it is 1) nonspendable in form or required to be maintained intact; 2) restricted for a specific purpose by constitution, external resource providers, or through enabling legislation; 3) committed by a formal action of Council for a specific purpose; or 4) assigned and intended to be used by the government for a specific purpose for contracts and purchase orders of the prior period.

As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 22.4 percent of total general fund expenditures and transfers out, while total fund balance represents 27.1 percent of that same amount.

The debt service fund had a total fund balance of $101 million at September 30, 2023 restricted for the payment of debt service. The debt service fund balance increased during the current year by $16.4 million primarily due to increases in ad valorem tax revenues, offset by increases in principal and interest on long-term debt.

Proprietary funds: The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position in Dallas Water Utilities and Sanitation at the end of the year amounted to deficit balances of $107.6 million and $186.7 million, respectively. The unrestricted net position was $143.2 million in the Convention Center and $66.5 million in the Airport Revenues Fund. The total change in net position was an increase of $130.5 million in Dallas Water Utilities, an increase of $33.1 million in Convention Center, an increase of $133.5 million in the Airport Revenues Fund, and a decrease of $11.2 million in Sanitation. Factors regarding the finances of these funds are addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

During the fiscal year, the final amended revenue budget represented a 1.3 percent increase from the original budget and the final amended expenditure budget represented a 1.3 percent increase from the original budget.

Actual budgetary basis revenues and transfers-in were higher by $2.8 million, or less than one percent from final budgeted amounts. Actual budgetary expenditures and transfers out were lower than the final amended budget by $11.6 million, or less than one percent.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of September 30, 2023, the City had approximately $13.1 billion invested in a broad range of capital assets, including police and fire equipment, buildings, park facilities, roads, bridges, water and sewer lines, and right-to-use leased and Subscription-Based Information Technology Arrangement (SBITA) assets (see table 3). This amount represents a net increase of $571.5 million or approximately 4.6 percent over the prior fiscal year.

Table 3
Capital Assets
(Net of Accumulated Depreciation/Acumulated Amortization, in thousands)

	Governmental Activities		Business-type Activities		Totals	
	2023	2022*	2023	2022*	2023	2022*
Land	$ 597,128	$ 573,001	$ 276,397	$ 275,949	$ 873,525	$ 848,950
Artwork	50,670	50,323	5,574	5,574	56,244	55,897
Construction in progress	512,120	592,839	1,651,448	1,469,186	2,163,568	2,062,025
Water rights	-	-	212,223	215,762	212,223	215,762
Buildings	926,442	883,998	1,153,715	1,186,596	2,080,157	2,070,594
Improvements other than buildings	487,869	496,422	383,938	365,777	871,807	862,199
Equipment	375,812	268,823	290,156	297,368	665,968	566,191
Infrastructure assets	2,082,763	1,993,293	301,032	305,152	2,383,795	2,298,445
Utility property	-	-	3,493,122	3,351,008	3,493,122	3,351,008
Right-to-use assets-land	3,617	3,813	62,098	62,281	65,715	66,094
Right-to-use assets-buildings	25,797	27,888	14,787	18,641	40,584	46,529
Right-to-use assets-equipment	112,783	4,445	-	-	112,783	4,445
SBITA*	30,372	28,845	3,974	5,385	34,346	34,230
Totals	$ 5,205,373	$ 4,923,690	$ 7,848,464	$ 7,558,679	$ 13,053,837	$ 12,482,369

*The FY 23 balances were restated due to the implementation of GASB 96, SBITA (Subscription-Based Information Technology Arrangements).

Some of the major additions for fiscal year 2023 included (gross additions – in millions):

Carpenter Park	$ 83.0
Forest Green Branch Library	38.2
Fire Station #59	11.2
Fire Station #46	10.7
Land acquistions	23.9
Equipment acquisitions	130.7
Water and wastewater facilities	273.0
Total	$ 570.7

The general purpose capital improvement program provides for improvements to, and/or construction of, the City's street system, parks and recreational facilities, libraries, police and fire protection facilities, cultural art facilities, the flood protection and storm drainage systems, other City-owned facilities, and economic initiatives. General obligation bonds are the primary financing mechanism for these capital improvements.

The capital improvement program for the enterprise funds consists primarily of improvements to, and/or construction of, water and wastewater systems, and air transportation facilities. The primary financing mechanism for these capital improvements are enterprise fund net revenues and issuance of debt such as commercial paper and revenue bonds.

More detailed information about the City's capital assets is presented in Note 8 to the financial statements.

Debt

At fiscal year-end, the City had $6.4 billion in bonds for both governmental and business-type activities, an obligation for revenue credit agreement (including accrued unpaid interest), and water transmission facilities financing agreement outstanding, as shown in Table 4.

Table 4
Outstanding Debt at Fiscal Year-end (in thousands)

	Governmental Activities		Business-type Activities		Totals	
	2023	2022	2023	2022	2023	2022
General obligation bonds	$ 1,815,569	$ 1,659,848	$ -	$ 776	$ 1,815,569	$ 1,660,624
Certificates of obligation	107,200	58,720	-	-	107,200	58,720
Equipment acquisition obligations	105,375	64,325	-	-	105,375	64,325
Pension obligation bonds	90,984	115,522	41,723	52,977	132,707	168,499
Revenue bonds	-	-	3,248,880	3,119,030	3,248,880	3,119,030
Water transmission facilities financing agreement	-	-	888,816	655,174	888,816	655,174
Obligation for revenue credit agreement	-	-	69,595	79,340	69,595	79,340
Total	$ 2,119,128	$ 1,898,415	$ 4,249,014	$ 3,907,297	$ 6,368,142	$ 5,805,712

Bond proceeds for governmental activities will be used to pay costs of various equipment purchases, street systems, playgrounds, recreation facilities, library facilities, and other City infrastructure and facilities.

In December 2022, the City issued Waterworks and Sewer System Revenue Bonds, Series 2022C of $114.8 million with stated interest rates ranging from 2.57 percent to 3.89 percent and a final maturity of October 1, 2047. The bonds were issued to fund capital construction projects.

In January 2023, the City issued Equipment Acquisition Contractual Obligations, Series 2023 of $71.6 million with a stated interest rate of 3.6 percent, and a final maturity of August 15, 2027. The obligations will be used for financing the purchase of City equipment.

In February 2023, the City issued Waterworks and Sewer System Revenue Refunding Bonds, Series 2023A in the amount of $166.3 million with a premium of $12.9 million, stated interest rates ranging from 4 percent to 5 percent, and a final maturity of October 1, 2052. The bonds were issued to refund outstanding commercial paper notes.

In May 2023, the City issued General Obligation Refunding and Improvement Bonds, Series 2023A, of $381.1 million with a premium of $48.5 million, stated interest rate of 5%, and a final maturity of February 15, 2043. The bonds were issued for the purpose of refunding General Obligation Bonds, Series 2013A, and financing capital construction projects. Proceeds of $62.4 million were deposited with an escrow agent to be used to pay the outstanding principal amount of the refunded bonds. As a result, $61.4 million of the refunded bonds are considered defeased and the liability for these bonds have been removed from the financial statements. Total debt service payments decreased by $7.3 million as a result of the refunding. The City also incurred an economic gain (difference between the present value of the old debt and the new debt service payments) of $6.6 million. The remaining portion of the bonds issued will be used to finance capital construction projects.

In May 2023, the City issued Combination Tax and Revenue Certificates of Obligations, Series 2023 in the amount of $55.2 million with a premium of $6.1 million, stated interest rate of 5 percent, and a final maturity of February 15, 2033. These obligations were issued for the purpose of financing capital construction projects.

The City's General Obligation, General Obligation Pension, Waterworks and Sewer System, General Airport Revenue, Civic Center Convention Complex, Dallas Convention Center Development Corp, and Downtown Dallas Development Authority bonds' underlying ratings as of September 30, 2023 are listed below.

	Moody's Investors Service	Standard & Poor's	Fitch	Kroll
General Obligation Bonds	A1	AA-	AA	AA+
General Obligation Pension Bonds	A1	AA-	AA	N/R
Revenue Bonds:				
Waterworks and Sewer System	Aa2	AAA	AA	N/R
General Airport Revenue	A1	A	A	N/R
Civic Center Convention Complex	N/R	A	A+	N/R
Dallas Convention Center Development Corporation	Baa1	A	N/R	N/R
Downtown Dallas Development Authority	A2	A+	N/R	N/R

More information about the City's debt is presented in Note 11 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Dallas City Council has identified eight strategic priorities – Economic Development; Government Performance and Financial Management; Housing and Homelessness Solutions; Parks, Trails, and the Environment; Public Safety; Quality of Life, Arts, and Culture; Transportation and Infrastructure; and Workforce, Education, and Equity. Property value for the tax roll as of January 1, 2023 was $198.3 billion, which is a 10.53 percent increase from the 2022 supplemental tax roll of $179.4 billion. The adopted fiscal year 2023-24 tax rate of $0.7357 per $100 valuation is a $0.0101 reduction from the fiscal year 2022-23 adopted tax rate of $.7458. The fiscal year 2023-24 budget of $4.62 billion is balanced, utilizing various cost containment strategies, revenue enhancements, and operational efficiencies.

With the multitude of water challenges across Texas, the City will continue to focus on maintaining infrastructure, conserving resources, and providing for future needs through replacement of aged water and wastewater mains; improvements at water treatment plants to improve reliability and water quality as well as increase capacity; continued water conservation efforts; and the TRWD integrated pipeline project to connect Lake Palestine to Dallas' water supply system to meet future needs. The retail water and sewer rates increased approximately 3% for fiscal year 2023-24.

The City of Dallas is experiencing areas of economic growth. The City's unemployment rate of 3.9 percent is slight higher than the national average of 3.6 percent. Property tax revenue is the single largest revenue source and accounts for 57 percent of general fund revenue. Fiscal year 2024 will mark the eleventh consecutive year of growth in property value. As the second largest revenue source in general fund, sales tax revenue is projected at $451.7 million for fiscal year 2023-24, which is a 4.4 percent increase from the fiscal year 2022-23 budget. The combined property tax and sales tax revenues in the general fund budget is projected to increase $105 million from the fiscal year 2023 amended budget to the fiscal year 2024 budget.

In fiscal year 2024, the City will continue to focus on Service First to meet the citizens needs with our core values - Empathy, Ethics, Excellence, Engagement, and Equity. This R.E.A.L. Engagement budget reinforces our commitment to pursue clear plans and evidence-based strategies to improve the city government. This budget makes significant investments in the following areas:

Responsible Engagement means that our City evaluates who and what makes up our dynamic city to ensure the policy and standards for outreach and engagement are consistent across departments and to build trust in the communities we serve.

Equitable Engagement means that we are committed to ensuring that we meet specific community needs such as language translation and accessibility of community meetings and publications. This budget provides educational outreach, community programs, and opportunities to engage with children, adults, seniors, and youth through our age-friendly programs.

Accountable Engagement means we will deliver our programs and services transparently, utilize data to increase civic participation, and find solutions to systemic issues. For the City of Dallas, our number one priority is to keep residents safe. Violent crime in Dallas has reduced each year over the past two years due to our continued investments in public safety and through the dedicated service of our uniform employees. This budget includes investments in software, technology, and equipment to support police officers.

Legitimate Engagement means that we will continue to put the priorities of our residents first and collaborate with the community to refine our engagement priorities.

The City's fiscal year 2024 capital budget also provides $11.3 million for aviation facilities, $58 million for city facilities, $83.3 million for convention and event services, $82.8 million for economic development, $37.6 million for flood protection and storm drainage management, $23.8 million for sanitation services, $180.9 million for streets and transportation, and $319.5 million for water utilities capital improvements.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

The financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances, and to show the City's accountability for the money it receives. If you have questions about this report or need any additional financial information, contact the City Controller's Office, at City of Dallas, 1500 Marilla, Room 2BS, Dallas, Texas 75201.

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“Our Product is Service”
Empathy | Ethics | Excellence | Engagement | Equity

CITY OF DALLAS, TEXAS
STATEMENT OF NET POSITION
September 30, 2023
(in thousands)

	Primary Government			Discretely Presented Component Units	
	Governmental Activities	Business-Type Activities	Total	Governmental	Business-type
Assets					
Cash and cash equivalents	$ 1,269,709	$ 810,661	$ 2,080,370	$ 16,960	$ 129,328
Other investments, at fair value	33,776	-	33,776	-	3,337
Receivables, net	383,346	237,734	621,080	101	13,359
Internal balances	(5,416)	5,416	-	-	-
Prepaid items	16,769	7,291	24,060	-	749
Inventories, at cost	28,330	23,316	51,646	-	599
Other assets	-	-	-	-	1,230
Restricted assets:					
Cash and cash equivalents	981,972	672,625	1,654,597	8,621	27,541
Other investments, at fair value	-	109,229	109,229	-	35,723
Future pipeline reserve capacity rights	-	338,804	338,804	-	-
Customer assessments	-	632	632	-	-
Capital assets:					
Capital assets, non-depreciable	1,159,918	1,933,419	3,093,337	-	27,511
Capital assets, depreciable, net of accumulated depreciation	3,872,886	5,834,186	9,707,072	-	301,749
Right-to-use assets, net of amortization	172,569	80,859	253,428	-	-
Total assets	7,913,859	10,054,172	17,968,031	25,682	541,126
Deferred outflows of resources					
Deferred loss on refunding	-	59,143	59,143	-	-
Deferred outflows of resources related to pensions	1,708,135	472,888	2,181,023	-	-
Deferred outflows of resources related to other postemployment benefits	5,736	1,614	7,350	-	-
Other deferred outflows of resources	-	-	-	-	-
Total deferred outflows of resources	1,713,871	533,645	2,247,516	-	-
Liabilities					
Accrued payroll	22,925	6,530	29,455	-	1,906
Accounts payable	101,761	72,774	174,535	63	7,491
Due to other governments	3,901	1,433	5,334	-	-
Contracts payable	71,877	-	71,877	-	-
Other liabilities	13,639	3,512	17,151	329	814
Construction accounts payable	16,829	98,911	115,740	-	-
Accrued bond interest payable	13,579	59,090	72,669	161	14,294
Unearned revenue	271,002	16,941	287,943	-	10,094
Customer deposits	4,181	30,591	34,772	-	-
Customer construction advances	-	5,958	5,958	-	-
Noncurrent liabilities:					
Due within one year	481,523	216,429	697,952	3,088	11,555
Due in more than one year	8,221,459	5,643,681	13,865,140	78,647	417,130
Total liabilities	9,222,676	6,155,850	15,378,526	82,288	463,284
Deferred inflows of resources					
Deferred gain on refunding	2,403	-	2,403	-	-
Deferred inflows of resources related to pensions	569,329	236,386	805,715	-	-
Deferred inflows of resources related to other postemployment benefits	62,040	13,937	75,977	-	-
Deferred inflows of resources related to leases	103,106	66,411	169,517	-	40,227
Deferred inflows of resources related to conduit debt	-	47,042	47,042	-	-
Total deferred inflows of resources	736,878	363,776	1,100,654	-	40,227
Net position					
Net investment in capital assets	3,176,714	3,877,983	7,054,697	-	(57,170)
Restricted for:					
Capital projects	457,550	-	457,550	-	-
Debt service	89,375	303,360	392,735	8,494	-
General government	77,014	-	77,014	-	-
Storm water operations	110,470	-	110,470	-	-
Public safety	23,036	-	23,036	-	-
Culture and recreation	58,255	-	58,255	-	-
Streets and transportation	38,330	-	38,330	-	-
Other purposes	61,379	-	61,379	-	-
Permanent funds - nonexpendable	9,851	-	9,851	-	-
Emergency repairs and replacements	-	5,000	5,000	-	-
Operation and maintenance expenses	-	13,922	13,922	-	-
Passenger facility charges	-	34,544	34,544	-	-
Unrestricted (deficit)	(4,433,798)	(166,618)	(4,600,416)	(65,100)	94,785
Total net position (deficit)	$ (331,824)	$ 4,068,191	$ 3,736,367	$ (56,606)	$ 37,615

CITY OF DALLAS, TEXAS
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2023
(in thousands)

Function/Program Activities	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	$ 499,761	$ 137,373	$ 26,635	$ 31,553
Public safety	798,664	71,151	14,006	24
Code enforcement	73,223	12,958	223	-
Environmental and health services	18,171	224	98,052	-
Streets, public works, and transportation	320,738	16,555	1,750	21,193
Equipment and building services	52,804	984	386	-
Culture and recreation	253,224	23,696	1,494	12,338
Housing	4,760	-	5,539	-
Human services	33,839	-	59,542	-
Interest on long-term debt	72,606	-	-	-
Total governmental activities	2,127,790	262,941	207,627	65,108
Business-Type activities:				
Dallas water utilities	715,299	816,678	-	18,714
Convention center	128,809	49,438	34	-
Airport revenues	180,427	215,970	48,509	39,379
Sanitation	161,095	151,109	8	-
Municipal radio	1,554	566	-	-
Building inspection	55,819	38,488	-	-
Total business-type activities	1,243,003	1,272,249	48,551	58,093
Total primary government	3,370,793	1,535,190	256,178	123,201
Component units:				
Governmental	36,359	-	-	-
Business-type	30,709	31,924	-	-
Total component units	67,068	31,924	-	-

General revenues:	
Ad valorem tax	
Tax increment financing, intergovernmental revenue	
Special assessments	
Sales taxes	
Franchise fees	
Hotel occupancy tax	
Alcohol beverage tax	
Investment income	
Other revenues	
Transfers	
Total general revenues and transfers	
Change in net position	
Net position (deficit), beginning of year (restated, see Note 1Y)	
Net position (deficit), end of year	

Net (Expense) Revenue and Changes in Net Position					
Primary Government					
Governmental Activities	Business-Type Activities	Total	Component Units		
			Governmental	Business-Type	
$ (304,200)	$ -	$ (304,200)	$ -	$ -	
(713,483)	-	(713,483)	-	-	
(60,042)	-	(60,042)	-	-	
80,105	-	80,105	-	-	
(281,240)	-	(281,240)	-	-	
(51,434)	-	(51,434)	-	-	
(215,696)	-	(215,696)	-	-	
779	-	779	-	-	
25,703	-	25,703	-	-	
(72,606)	-	(72,606)	-	-	
(1,592,114)	-	(1,592,114)	-	-	
-	120,093	120,093	-	-	
-	(79,337)	(79,337)	-	-	
-	123,431	123,431	-	-	
-	(9,978)	(9,978)	-	-	
-	(988)	(988)	-	-	
-	(17,331)	(17,331)	-	-	
-	135,890	135,890	-	-	
(1,592,114)	135,890	(1,456,224)	-	-	
			(36,359)	-	
			-	1,215	
			(36,359)	1,215	
1,326,845	-	1,326,845	-	-	
12,275	-	12,275	39,784	-	
42,259	-	42,259	-	-	
425,543	-	425,543	-	-	
146,000	-	146,000	-	-	
-	103,587	103,587	-	-	
-	17,844	17,844	-	-	
65,396	51,181	116,577	1,061	2,897	
23,491	874	24,365	3	15,696	
40,613	(40,613)	-	-	-	
2,082,422	132,873	2,215,295	40,848	18,593	
490,308	268,763	759,071	4,489	19,808	
(822,132)	3,799,428	2,977,296	(61,095)	17,807	
$ (331,824)	$ 4,068,191	$ 3,736,367	$ (56,606)	$ 37,615	

CITY OF DALLAS, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2023
(in thousands)

	General	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
Assets				
Pooled cash and cash equivalents	$ 420,389	$ 100,628	$ 585,527	$ 1,106,544
Other investments, at fair value	-	-	33,776	33,776
Receivables:				
Ad valorem tax	38,163	14,648	-	52,811
Sales tax	72,143	-	-	72,143
Notes	507	-	66,228	66,735
Special assessments-paving notes	-	-	6,084	6,084
Accounts	103,890	-	36,103	139,993
Accrued interest	2,667	530	9,534	12,731
Leases	77,207	-	28,696	105,903
Allowance for uncollectible accounts	(65,505)	(12,732)	(47,587)	(125,824)
Due from other governments	7,411	-	42,004	49,415
Due from other funds	9,223	-	-	9,223
Prepaid items	-	-	16,769	16,769
Inventories, at cost	23,069	-	-	23,069
Restricted cash and cash equivalents	-	-	981,972	981,972
Notes receivable from other funds	-	-	4,161	4,161
Total assets	689,164	103,074	1,763,267	2,555,505
Liabilities, deferred inflows of resources, and fund balances				
Liabilities				
Accrued payroll	19,765	-	1,317	21,082
Accounts payable	51,520	1,310	29,569	82,399
Due to other funds	268	-	9,223	9,491
Unearned revenue	3,835	-	267,167	271,002
Due to other governments	3,900	-	1	3,901
Construction accounts payable	-	-	16,829	16,829
Notes payable to other funds	-	-	9,309	9,309
Customer deposits	3,906	-	275	4,181
Contracts payable	-	-	71,877	71,877
Other liabilities	5,203	-	1,512	6,715
Total liabilities	88,397	1,310	407,079	496,786
Deferred inflows of resources				
Unavailable revenue related to taxes, accounts receivable, and grants	58,042	792	50,939	109,773
Unavailable revenue related to leases	75,460	-	27,646	103,106
Total deferred inflows of resources	133,502	792	78,585	212,879
Fund balances				
Nonspendable	23,069	-	26,620	49,689
Restricted	-	100,972	1,209,948	1,310,920
Committed	3,000	-	41,035	44,035
Assigned	54,453	-	-	54,453
Unassigned	386,743	-	-	386,743
Total fund balance	467,265	100,972	1,277,603	1,845,840
Total liabilities, deferred inflows, and fund balances	$ 689,164	$ 103,074	$ 1,763,267	$ 2,555,505

The notes to financial statements are an integral part of this statement.

CITY OF DALLAS, TEXAS
RECONCILIATION OF THE BALANCE SHEET
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
September 30, 2023
(in thousands)

Total fund balances - governmental funds		$ 1,845,840
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. These assets consist of:		
Land	595,432	
Artwork	50,670	
Construction in progress	512,120	
Infrastructure assets	3,376,022	
Buildings	1,646,427	
Improvements other than buildings	815,718	
Equipment	940,528	
Leased and SBITA assets	125,614	
Accumulated depreciation and amortization	(2,938,250)	
Total capital assets		5,124,281
Deferred inflows from refunding of debt represent a decrease in net position that applies to future periods and, therefore, will not be recognized as an inflow of resources until then. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.		(2,403)
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.		109,773
Internal service funds are used by management to charge the costs of certain activities, such as equipment services, communication equipment services, office services, information services, and insurance. The assets and deferred outflows and liabilities and deferred inflows of the internal service funds are included in the governmental activities in the statement of net position.		(189,240)
Some long-term liabilities are not due and payable in the current period, and therefore, are not reported in the funds. Those liabilities consist of:		
Bonds payable, plus unamortized bond premium and accretion	2,481,245	
Financed purchases	91,224	
Leases and SBITAs	108,558	
Accrued interest on bonds and notes	12,446	
Developer payable	61,147	
Notes payable	13,727	
Compensated absences	114,476	
Pollution remediation	2,416	
Total long-term liabilities		(2,885,239)
Net pension liability and pension related deferred outflows and inflows of resources are not due in the current period and, therefore, are not reported in the funds. These amounts consist of:		
Net pension liability	5,205,509	
Deferred outflows of resources	(1,568,714)	
Deferred inflows of resources	496,714	
		(4,133,509)
Other postemployment benefits liability and related deferred outflows and inflows of resources are not due in the current period and, therefore, are not reported in the funds. These amounts consist of:		
Other postemployment benefits liability	148,226	
Deferred outflows of resources	(5,403)	
Deferred inflows of resources	58,504	
		(201,327)
Net position (deficit) of governmental activities		$ (331,824)

CITY OF DALLAS, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended September 30, 2023
(in thousands)

	General	Debt Service	Nonmajor Governmental Funds	Total
Revenues:				
Ad valorem tax	$ 871,923	$ 331,364	$ 118,714	$ 1,322,001
Tax increment financing, intergovernmental	-	-	12,275	12,275
Sales tax	425,543	-	-	425,543
Franchise fees	132,888	-	13,112	146,000
Licenses and permits	9,076	-	4,304	13,380
Intergovernmental	19,242	-	194,086	213,328
Service to others	116,491	-	109,347	225,838
Fines and forfeitures	21,640	-	1,093	22,733
Investment Income	16,993	4,405	39,579	60,977
Special assessments	-	-	42,259	42,259
Contributions and gifts	126	-	51,328	51,454
Confiscated money awards	-	-	4,079	4,079
Other revenues	9,891	1,002	2,790	13,683
Total revenues	1,623,813	336,771	592,966	2,553,550
Current expenditures:				
General government	184,702	-	251,351	436,053
Public safety	971,553	-	64,472	1,036,025
Code enforcement	56,326	-	-	56,326
Environmental and health services	-	-	15,911	15,911
Streets, public works, and transportation	120,177	-	93,811	213,988
Equipment and building services	27,091	-	2,208	29,299
Culture and recreation	163,458	-	23,559	187,017
Housing	3,880	-	-	3,880
Human services	-	-	32,820	32,820
Debt service:				
Principal	42,616	248,202	3,496	294,314
Interest and fiscal charges	5,371	82,818	2,407	90,596
Capital outlay	99,265	-	307,692	406,957
Total expenditures	1,674,439	331,020	797,727	2,803,186
Excess (deficiency) of revenues over (under) expenditures	(50,626)	5,751	(204,761)	(249,636)
Other financing sources (uses):				
Transfers in	40,440	10,260	92,664	143,364
Transfers out	(48,953)	-	(39,529)	(88,482)
Inception of lease	83,503	-	539	84,042
Proceeds from sale of capital assets	588	-	-	588
Premium on debt issued	-	6,451	48,151	54,602
Issuance of certificates of obligation	-	-	55,185	55,185
Issuance of equipment acquisition notes	-	-	71,600	71,600
Issuance of general obligation bonds	-	-	324,720	324,720
Issuance of refunding bonds	-	56,415	-	56,415
Payment to refunded bond escrow agent	-	(62,442)	-	(62,442)
Issuance of commercial paper notes	-	-	13,220	13,220
Total other financing sources (uses)	75,578	10,684	566,550	652,812
Net change in fund balances	24,952	16,435	361,789	403,176
Fund balances, beginning of year	442,313	84,537	915,814	1,442,664
Fund balances, end of year	$ 467,265	$ 100,972	$ 1,277,603	$ 1,845,840

The notes to financial statements are an integral part of this statement.

CITY OF DALLAS, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2023
(in thousands)

Net change in fund balances-total governmental funds			$ 403,176
Amounts reported for governmental activities in the statement of activities are different because:			
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation and amortization expense. This is the amount by which capital outlays exceeded depreciation and amortization in the current period.			
Capital outlay	406,957		
Capital contributions	8,079		
Capital assets acquired through developer payable	10,746		
Capital assets transferred to business-type activities	(5,741)		
Depreciation and amortization expense	(170,363)		
Net adjustment			249,678
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.			
Proceeds from sale of capital assets	(588)		
Net loss on disposal of capital assets	(3,847)		
			(4,435)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This adjustment is to recognize the net change in “unavailable” revenues.			3,777
The issuance of long-term debt (e.g., bonds, certificates of obligation) provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.			
Debt issued:			
Premium on debt issued		(54,602)	
Certificates of obligation		(55,185)	
Equipment acquisition notes		(71,600)	
General obligation bonds		(324,720)	
Refunding bonds		(56,415)	
Notes payable		(13,220)	
Leases		(84,042)	
SBITAs		(7,890)	
Repayments:			
Financed purchases payments		29,937	
Lease payments		11,451	
SBITA payments		2,313	
Note principal payments		24,816	
Bond principal payments		225,797	
Payment to refunded bond escrow agent		62,442	
Net adjustment			(310,918)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.			
Increase in accrued interest payable		(955)	
Amortization of premium, discount and refunding deferral		36,723	
Accretion on capital appreciation bonds		(17,777)	
Decrease in pollution remediation liability		(64)	
Decrease in compensated absences		(2,445)	
Decrease in developer payable		38,494	
Total adjustment			53,976
Internal service funds are used by management to charge the costs of certain activities, such as fleet management, insurance, compensated absences, and computer replacement, to individual funds. The change in net position for these funds is reported with the governmental activities.			(32,006)
Changes to net pension liability and pension related deferred outflows and inflows of resources do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.			120,019
Changes to other postemployment benefits and related deferred inflows and outflows of resources do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.			7,041
Change in net position of governmental activities			$ 490,308

The notes to financial statements are an integral part of this statement.

CITY OF DALLAS, TEXAS
GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-NON-GAAP BUDGETARY BASIS
Year Ended September 30, 2023
(in thousands)

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget-Positive (Negative)
	Original	Final		
Revenues:				
Ad valorem taxes	$ 961,503	$ 961,503	$ 957,934	$ (3,569)
Sales tax	417,232	432,750	425,543	(7,207)
Other tax and franchise revenues	127,866	127,866	132,888	5,022
Licenses and permits	5,617	5,617	9,079	3,462
Intergovernmental	13,162	18,004	19,242	1,238
Services to others	115,554	115,554	113,661	(1,893)
Fines and forfeitures	23,777	23,777	21,640	(2,137)
Investment income	5,950	7,754	14,866	7,112
Miscellaneous revenue	7,967	8,356	11,337	2,981
Total revenues	1,678,628	1,701,181	1,706,190	5,009
General government				
City attorney's office	20,971	21,215	21,112	103
City auditor's office	3,163	2,817	2,784	33
Office of budget and management services	4,278	4,069	4,067	2
Non-departmental	140,622	136,954	135,360	1,594
Independent audit	755	755	755	-
City controller's office	8,568	8,504	8,339	165
City manager's office	3,205	3,306	3,253	53
Municipal court - Judiciary	4,274	3,883	3,881	2
Court and detention services	26,924	26,173	25,821	352
Jail contract-Lew Sterrett	8,344	8,344	8,344	-
Civil service	3,065	2,726	2,577	149
Office of data analysis and business intelligence	5,281	4,444	4,244	200
Office of economic development	3,919	4,019	4,019	-
Mayor and city council	6,646	6,725	6,342	383
Office of management services	58,652	56,026	54,719	1,307
Human resources	8,140	9,881	8,874	1,007
Procurement services	3,014	2,889	2,748	141
Elections	2,023	2,201	1,339	862
City secretary's office	3,142	3,259	3,125	134
Total general government	314,986	308,190	301,703	6,487
Public safety				
Dallas police department	611,908	616,890	616,301	589
Dallas fire - rescue	369,070	380,264	380,133	131
Total public safety	980,978	997,154	996,434	720
Code enforcement				
Code compliance	41,343	41,935	41,357	578
Dallas animal services	17,725	17,802	17,682	120
Total code enforcement	59,068	59,737	59,039	698

continued

GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-NON-GAAP BUDGETARY BASIS (continued)

Year Ended September 30, 2023
(in thousands)

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget- Positive (Negative)
	Original	Final		
Public works and transportation				
Public works	$ 89,209	$ 89,899	$ 89,652	247
Transportation	51,985	52,087	51,285	802
Total public works and transportation	141,194	141,986	140,937	1,049
Building services	30,391	35,805	35,643	162
Culture and recreation				
Library	37,544	37,741	36,017	1,724
Office of arts and culture	22,496	22,525	21,869	656
Park and recreation	106,864	113,907	113,841	66
Total culture and recreation	166,904	174,173	171,727	2,446
Housing and neighborhood revitalization	4,640	4,112	4,112	-
Planning and urban design	5,151	4,708	4,694	14
Total expenditures	1,703,312	1,725,865	1,714,289	11,576
Excess (deficiency) of revenues over (under) expenditures	(24,684)	(24,684)	(8,099)	(6,567)
Other financing sources (uses):				
Interfund transfers in	28,186	28,186	25,982	(2,204)
Interfund reserved and transfers out	(3,502)	(3,502)	(3,502)	-
Total other financing sources (uses)	24,684	24,684	22,480	(2,204)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses	-	-	14,381	(8,771)
Fund balances, beginning of year	212,553	212,056	297,507	-
Fund balances, end of year	$ 212,553	$ 212,056	$ 311,888	$ (8,771)

CITY OF DALLAS, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2023
(in thousands)

	Business-Type Activities Enterprise Funds						Governmental Activities- Internal Service Funds
	Dallas Water Utilities	Convention Center	Airport Revenues	Sanitation	Nonmajor Enterprise Funds	Total	
Assets							
Current assets:							
Pooled cash and cash equivalents	$ 348,201	$ 179,555	$ 199,622	$ 39,221	$ 44,062	$ 810,661	$ 163,165
Receivables:							
Accounts	127,879	12,559	18,739	26,173	212	185,562	2,694
Taxes	-	2,971	-	-	-	2,971	-
Accrued interest	4,465	1,384	1,672	247	244	8,012	661
Leases	235	29,983	33,501	-	-	63,719	-
Allowance for uncollectible accounts	(24,538)	-	(64)	(11,638)	-	(36,240)	-
Due from other governments	123	-	13,579	8	-	13,710	-
Due from other funds	268	-	-	-	-	268	-
Prepaid items	6,047	151	-	-	1,093	7,291	-
Inventories, at cost	20,935	782	1,325	274	-	23,316	5,261
Restricted assets:							
Customer assessments	632	-	-	-	-	632	-
Pooled cash and cash equivalents for current debt service	166,855	18,233	-	-	-	185,088	-
Cash and cash equivalents Held for construction purposes	16,917	4,126	-	-	-	21,043	-
Customer deposits:							
Pooled cash and cash equivalents	25,747	-	-	1,376	-	27,123	-
Total current assets	693,766	249,744	268,374	55,661	45,611	1,313,156	171,781
Noncurrent assets:							
Capital Assets:							
Nondepreciable	1,563,972	83,246	273,401	3,759	9,041	1,933,419	1,696
Depreciable, net of accumulated depreciation	4,519,600	285,203	951,917	66,232	11,234	5,834,186	18,352
Right-to-use assets, net of amortization	5,373	-	71,648	951	2,887	80,859	61,044
Total capital assets	6,088,945	368,449	1,296,966	70,942	23,162	7,848,464	81,092
Other noncurrent assets:							
Restricted assets:							
Future pipeline reserve capacity rights	338,804	-	-	-	-	338,804	-
Held for construction purposes:							
Cash and cash equivalents	-	-	4,810	-	-	4,810	-
Cash and cash equivalents held by escrow agent	292,012	-	-	-	-	292,012	-
Pooled cash and cash equivalents for future debt service	34,243	19,334	35,506	-	-	89,083	-
Pooled cash and cash equivalents for emergency repairs and replacements	-	-	5,000	-	-	5,000	-
Pooled cash and cash equivalents for operation and maintenance expenses	-	-	13,922	-	-	13,922	-
Pooled cash and cash equivalents for passenger facility charges	-	-	34,544	-	-	34,544	-
Other investments for future debt service at fair value	90,000	-	19,229	-	-	109,229	-
Notes receivable from other funds	5,148	-	-	-	-	5,148	-
Prepaid escrow	-	-	-	-	-	-	-
Total other noncurrent assets	760,207	19,334	113,011	-	-	892,552	-
Total noncurrent assets	6,849,152	387,783	1,409,977	70,942	23,162	8,741,016	81,092
Total assets	7,542,918	637,527	1,678,351	126,603	68,773	10,054,172	252,873
Deferred outflows of resources							
Deferred loss on refunding	51,756	2,563	4,818	4	2	59,143	-
Deferred outflows of resources related to pensions	256,726	1,253	55,927	102,038	56,944	472,888	139,421
Deferred outflows of resources related to other postemployment benefits	940	25	186	287	176	1,614	333
Total deferred outflows of resources	$ 309,422	$ 3,841	$ 60,931	$ 102,329	$ 57,122	$ 533,645	$ 139,754

CITY OF DALLAS, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS (continued)
September 30, 2023
(in thousands)

	Business-Type Activities Enterprise Funds						Governmental Activities- Internal Service Funds
	Dallas Water Utilities	Convention Center	Airport Revenues	Sanitation	Nonmajor Enterprise Funds	Total	
Liabilities							
Current liabilities:							
Accrued payroll	$ 3,406	$ 303	$ 767	$ 1,268	$ 786	$ 6,530	$ 1,843
Accounts payable	25,104	6,701	34,975	3,149	2,845	72,774	19,362
Compensated absences	5,049	141	966	1,352	1,127	8,635	3,076
Other postemployment benefits	1,127	19	256	455	269	2,126	556
Due to other governments	-	3	317	1,113	-	1,433	-
Unearned revenue	-	-	8,495	77	8,369	16,941	-
Estimated unpaid health claims	-	-	-	-	-	-	11,530
Estimated unpaid claims - general	-	-	-	-	-	-	61,945
Workers' compensation	-	-	-	-	-	-	9,010
Accrued interest payable on bonds, notes, and leases	257	5	334	98	16	710	-
Pension obligation bonds	7,023	500	658	2,296	1,279	11,756	-
Pollution remediation	265	106	47	481	-	899	-
Obligation for revenue credit agreement	-	-	10,230	-	-	10,230	-
Landfill closure/postclosure	-	-	-	359	-	359	-
Financed purchases	-	-	-	2,395	-	2,395	-
Leases	593	-	1,779	-	555	2,927	4,364
SBITA	941	-	64	377	-	1,382	5,139
Other liabilities	-	-	-	-	3,512	3,512	6,924
Total current liabilities	43,765	7,778	58,888	13,420	18,758	142,609	123,749
Current liabilities (payable from restricted assets):							
Construction accounts payable	85,265	9,350	4,296	-	-	98,911	-
Accrued interest payable on bonds, notes, and leases	47,319	1,114	9,947	-	-	58,380	1,133
Water transmission facilities financing agreement	27,170	-	-	-	-	27,170	-
Revenue bonds	119,380	10,430	18,740	-	-	148,550	-
Total current liabilities (payable from restricted assets)	279,134	20,894	32,983	-	-	333,011	1,133
Total current liabilities	322,899	28,672	91,871	13,420	18,758	475,620	124,882
Noncurrent liabilities:							
Commercial paper notes payable	56,600	-	-	-	-	56,600	-
Revenue bonds	2,659,667	225,069	469,903	-	-	3,354,639	-
Obligation for revenue credit agreement	-	-	60,574	-	-	60,574	-
Accreted interest on pension obligation bonds	39,602	2,826	3,711	12,948	7,212	66,299	-
Pension obligation bonds	34,062	2,419	3,191	11,134	6,207	57,013	-
Water transmission facilities financing agreement	861,646	-	-	-	-	861,646	-
Financed purchases	-	-	-	2,027	-	2,027	-
Leases	2,240	-	67,063	-	2,431	71,734	34,272
SBITA	1,696	-	425	584	-	2,705	13,675
Total long-term debt	3,655,513	230,314	604,867	26,693	15,850	4,533,237	47,947
Other long-term liabilities:							
Estimated unpaid claims - general	-	-	-	-	-	-	7,558
Arbitrage rebate	6,442	-	-	-	-	6,442	-
Other postemployment benefits	28,020	3,985	3,088	8,523	3,906	47,522	9,992
Net pension liability	563,633	28,781	91,174	194,852	115,646	994,086	261,329
Workers' compensation	-	-	-	-	-	-	50,736
Customer deposits	25,747	3,468	-	1,376	-	30,591	-
Customer construction advances	5,958	-	-	-	-	5,958	-
Pollution remediation	-	-	26	-	-	26	-
Landfill closure/postclosure	-	-	-	53,181	-	53,181	-
Compensated absences	5,371	151	1,028	1,438	1,199	9,187	3,272
Total other long-term liabilities	635,171	36,385	95,316	259,370	120,751	1,146,993	332,887
Total noncurrent liabilities	4,290,684	266,699	700,183	286,063	136,601	5,680,230	380,834
Total liabilities	4,613,583	295,371	792,054	299,483	155,359	6,155,850	505,716
Deferred inflows of resources							
Deferred inflows of resources related to pensions	127,990	2,946	27,010	47,758	30,682	236,386	72,615
Deferred inflows of resources related to other postemployment benefits	7,621	179	1,624	2,850	1,663	13,937	3,536
Deferred inflows of resources related to leases	232	32,930	33,249	-	-	66,411	-
Deferred inflows of resources related to conduit debt	-	-	47,042	-	-	47,042	-
Total deferred inflows of resources	135,843	36,055	108,925	50,608	32,345	363,776	76,151
Net Position							
Net investment in capital assets	2,973,223	126,162	692,863	65,559	20,176	3,877,983	23,642
Restricted:							
Debt service	237,337	40,579	25,444	-	-	303,360	-
Emergency repairs and replacements	-	-	5,000	-	-	5,000	-
Operation and maintenance expenses	-	-	13,922	-	-	13,922	-
Passenger facility charges	-	-	34,544	-	-	34,544	-
Unrestricted (deficit)	(107,646)	143,201	66,530	(186,718)	(81,985)	(166,618)	(212,882)
Total net position (deficit)	$ 3,102,914	$ 309,942	$ 838,303	$ (121,159)	$ (61,809)	$ 4,068,191	$ (189,240)

CITY OF DALLAS, TEXAS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended September 30, 2023
(in thousands)

	Business-Type Activities Enterprise Funds						
	Dallas Water Utilities	Convention Center	Airport Revenues	Sanitation	Nonmajor Enterprise Funds	Total	Governmental Activities-Internal Service Funds
Operating revenues:							
Customer charges	$ 816,678	$ 49,438	$ 184,998	$ 151,109	$ 39,054	$ 1,241,277	$ -
Charges to other City departments	-	-	-	-	-	-	374,162
Charges to employees/retirees	-	-	-	-	-	-	49,704
Other revenues	-	138	574	11	151	874	6,502
Total operating revenues	816,678	49,576	185,572	151,120	39,205	1,242,151	430,368
Operating expenses:							
Personnel services	167,370	5,902	35,721	68,285	38,344	315,622	107,206
Supplies and materials	122,148	4,373	9,992	9,507	948	146,968	36,743
Contractual and other services	164,646	93,639	69,268	69,753	16,111	413,417	295,396
Depreciation and amortization	146,170	18,096	42,436	11,997	1,101	219,800	18,288
Total operating expenses	600,334	122,010	157,417	159,542	56,504	1,095,807	457,633
Operating income (loss)	216,344	(72,434)	28,155	(8,422)	(17,299)	146,344	(27,265)
Nonoperating revenues (expenses):							
Investment income	31,938	5,978	9,905	1,499	1,861	51,181	3,211
Alcohol beverage tax	-	17,844	-	-	-	17,844	-
Hotel occupancy tax	-	103,587	-	-	-	103,587	-
Intergovernmental	-	34	48,509	8	-	48,551	-
Passenger facility charges	-	-	30,972	-	-	30,972	-
Interest on bonds, notes, and leases	(114,631)	(6,799)	(23,093)	(1,553)	(869)	(146,945)	-
Net gain (loss) on property disposals	(334)	-	83	-	-	(251)	576
Total nonoperating revenues (expenses)	(83,027)	120,644	66,376	(46)	992	104,939	3,787
Income (loss) before contributions and transfers	133,317	48,210	94,531	(8,468)	(16,307)	251,283	(23,478)
Contributions and transfers							
Capital contributions	24,455	-	39,379	-	-	63,834	-
Transfers in	-	386	-	10,299	15	10,700	19,769
Transfers out	(27,300)	(15,480)	(403)	(13,000)	(871)	(57,054)	(28,297)
Total contributions and transfers	(2,845)	(15,094)	38,976	(2,701)	(856)	17,480	(8,528)
Change in net position	130,472	33,116	133,507	(11,169)	(17,163)	268,763	(32,006)
Net position (deficit), beginning of year (restated, see note 1Y)	2,972,442	276,826	704,796	(109,990)	(44,646)	3,799,428	(157,234)
Net position (deficit), end of year	$ 3,102,914	$ 309,942	$ 838,303	$ (121,159)	$ (61,809)	$ 4,068,191	$ (189,240)

“Our Product is Service”
Empathy | Ethics | Excellence | Engagement | Equity

CITY OF DALLAS, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended September 30, 2023
(in thousands)

	Business-Type Activities Enterprise Funds			
	Dallas Water Utilities	Convention Center	Airport Revenues	Sanitation
Cash flows from operating activities:				
Cash received from customers	$ 809,653	$ 46,886	$ 142,922	$ 152,579
Cash payments to suppliers for goods and services	(106,721)	(2,652)	(28,729)	(9,996)
Cash payments to employees for services	(110,236)	(2,238)	(25,057)	(47,729)
Cash payments for contractual services	(164,446)	(92,974)	(43,862)	(66,126)
Other operating cash receipts	-	138	574	11
Net cash provided by (used in) operating activities	428,250	(50,840)	45,848	28,739
Cash flows from non-capital financing activities:				
Taxes	-	121,450	-	(2,198)
Principal paid on pension obligation bonds	(6,721)	(481)	(630)	(188)
Interest paid on pension obligation bonds	(573)	(41)	(54)	-
Intergovernmental operating grant receipts	-	-	48,509	-
Transfers from other funds	-	386	-	10,299
Transfers to other funds	(27,300)	(15,480)	(403)	(13,000)
Net cash provided by (used in) non-capital financing activities	(34,594)	105,834	47,422	(5,087)
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(283,253)	1,016	(56,212)	(13,252)
Proceeds from sale of capital assets	2	-	-	-
Proceeds from obligation for revenue bonds	294,034	-	-	-
Principal paid on bonds	(124,510)	(9,935)	(16,834)	(775)
Principal paid on notes payable and other obligations	(1,460)	-	(11,497)	(4,381)
Interest paid on bonds, notes, and other obligations	(108,158)	(9,400)	(31,566)	(165)
Bond issuance costs	(425)	-	-	-
Proceeds from sale of commercial paper notes	147,605	-	-	-
Retirement of commercial paper notes	(178,805)	-	(50,000)	-
Passenger facility charges	-	-	30,477	-
Capital contribution receipts	-	-	26,687	-
Net cash provided by (used in) capital and related financing activities	(254,970)	(18,319)	(108,945)	(18,573)
Cash flows from investing activities:				
Purchase of investments	125,731	-	17,757	-
Maturity of investments	(125,731)	-	(17,757)	-
Investment income	29,247	5,411	8,843	1,329
Net cash provided by (used in) investing activities	29,247	5,411	8,843	1,329
Net increase (decrease) in cash and cash equivalents	167,933	42,086	(6,832)	6,408
Cash and cash equivalents, beginning of year	716,042	179,162	300,236	34,189
Cash and cash equivalents, end of year	$ 883,975	$ 221,248	$ 293,404	$ 40,597

The notes to financial statements are an integral part of this statement.

Nonmajor Enterprise Funds	Total	Governmental Activities- Internal Service Funds
$ 39,237	$ 1,191,277	$ 421,694
(955)	(149,053)	(34,732)
(26,652)	(211,912)	(73,989)
(15,329)	(382,737)	(280,145)
151	874	6,502
(3,548)	448,449	39,330
-	119,252	-
(1,225)	(9,245)	-
(105)	(773)	-
-	48,509	-
15	10,700	19,769
(871)	(57,054)	(28,297)
(2,186)	111,389	(8,528)
(3,822)	(355,523)	(5,175)
-	2	576
-	294,034	-
-	(152,054)	-
(585)	(17,923)	(17,817)
(80)	(149,369)	(76)
-	(425)	-
-	147,605	-
-	(228,805)	-
-	30,477	-
-	26,687	-
(4,487)	(405,294)	(22,492)
-	143,488	-
-	(143,488)	-
1,734	46,564	4,010
1,734	46,564	4,010
(8,487)	201,108	12,320
52,549	1,282,178	150,845
$ 44,062	$ 1,483,286	$ 163,165

continued

CITY OF DALLAS, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (continued)
For the Year Ended September 30, 2023
(in thousands)

	Business-Type Activities Enterprise Funds			
	Dallas Water Utilities	Convention Center	Airport Revenues	Sanitation
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	$ 216,344	$ (72,434)	$ 28,155	$ (8,422)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation and amortization	146,170	18,096	42,436	11,997
Change in assets and liabilities				
(Increase) Decrease in accounts and other receivables	(6,457)	(5,003)	(2,690)	(19)
(Increase) Decrease in leases	17	3,024	11,174	-
(Increase) Decrease in customer assessments receivable	(3)	-	-	-
(Increase) Decrease in inventories	(1,573)	(39)	244	(11)
(Increase) Decrease in other asset	-	-	-	-
(Increase) Decrease in prepaid escrow	4,883	-	-	-
(Increase) Decrease in due from other governments	-	-	18	216
(Increase) Decrease in deferred outflows for other postemployment benefits	1,982	49	407	718
(Increase) Decrease in deferred outflows for pension contributions	(182,293)	(1,218)	(40,407)	(74,165)
Increase (Decrease) in accounts payable	12,117	2,382	6,122	(478)
Increase (Decrease) in accrued payroll	269	3	114	(1)
Increase (Decrease) in due to other funds	-	-	-	-
Increase (Decrease) in compensated absences	235	13	(5)	107
Increase (Decrease) in allowance for uncollectibles	(1,957)	(141)	59	1,455
Increase (Decrease) in unearned revenue	(1)	-	(39,335)	5
Increase (Decrease) in customer deposits	1,394	1,365	-	29
Increase (Decrease) in other postemployment benefits	(1,204)	(21)	(273)	(941)
Increase (Decrease) in customer construction advances	(65)	-	-	-
Increase (Decrease) in estimated unpaid health claims	-	-	-	-
Increase (Decrease) in estimated unpaid claims - general	-	-	-	-
Increase (Decrease) in workers' compensation	-	-	-	-
Increase (Decrease) in landfill liability	-	-	-	4,523
Increase (Decrease) in net pension liability	344,572	7,282	73,330	134,809
Increase (Decrease) in other liabilities	265	43	285	(1,112)
Increase (Decrease) in deferred inflows for other postemployment benefits	(1,627)	(34)	(320)	-
Increase (Decrease) in deferred inflows for pension contributions	(104,800)	(2,410)	(22,182)	(566)
Increase (Decrease) in deferred inflows for leases	(18)	(1,797)	(11,284)	(39,405)
Total adjustments	211,906	21,594	17,693	37,161
Net cash provided by (used in) operating activities	428,250	(50,840)	45,848	28,739
Current Assets:				
Pooled cash and cash equivalents	$ 348,201	$ 179,555	$ 199,622	$ 39,221
Pooled cash and cash equivalents for current debt service	166,855	18,233	-	-
Held for construction purposes	16,917	4,126	-	-
Customer deposits pooled cash and cash equivalents	25,747	-	-	1,376
Non-current Assets:				
Cash and cash equivalents				
Held for construction purposes	292,012	-	4,810	-
For future debt service	34,243	19,334	35,506	-
For emergency repairs and replacements	-	-	5,000	-
For operation and maintenance expenses	-	-	13,922	-
For passenger facility charges	-	-	34,544	-
Total cash and cash equivalents end of year	$ 883,975	$ 221,248	$ 293,404	$ 40,597
Noncash investing, capital, and financing activities:				
Capital contributions	$ 24,455	$ -	$ -	$ -
Prepaid escrow	(4,883)	-	-	-
Premium/discount amortization	(21,122)	(3,558)	(8,968)	(407)
Accretion on capital appreciation bonds	4,869	347	456	1,592
Amortization of deferred gain/loss on refunding	(11,039)	(629)	(569)	11
Right-to-use assets acquired through lease and SBITA liabilities	6,590	-	545	1,331
Lease and SBITA liabilities incurred as a result of acquiring right-to-use assets	(6,590)	-	(545)	(1,331)

Nonmajor Enterprise Funds	Total	Governmental Activities- Internal Service Funds
$ (17,299)	$ 146,344	$ (27,265)
1,101	219,800	18,288
197	(13,972)	(2,172)
-	14,215	-
-	(3)	-
-	(1,379)	(587)
(1,093)	(1,093)	885
-	4,883	-
-	234	-
672	3,828	871
(39,491)	(337,574)	(98,089)
1,654	21,797	8,921
57	442	110
-	-	2
60	410	291
(14)	(598)	-
-	(39,331)	-
-	2,788	-
(556)	(2,995)	(615)
-	(65)	-
-	-	1,648
-	-	7,313
-	-	5,008
-	4,523	-
76,383	636,376	183,894
214	(305)	730
(314)	(2,295)	(709)
(25,119)	(155,077)	(59,194)
-	(52,504)	-
13,751	302,105	66,595
(3,548)	448,449	39,330
$ 44,062	$ 810,661	$ 163,165
-	185,088	-
-	21,043	-
-	27,123	-
-	296,822	-
-	89,083	-
-	5,000	-
-	13,922	-
-	34,544	-
$ 44,062	$ 1,483,286	$ 163,165
$ -	$ 24,455	$ -
-	(4,883)	-
(210)	(34,265)	-
886	8,150	-
(9)	(12,235)	-
487	8,953	49,550
(487)	(8,953)	(49,550)

CITY OF DALLAS, TEXAS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
September 30, 2023
(in thousands)

	Pension Trust Funds (1)	Custodial Funds
Assets		
Pooled cash and cash equivalents	-	$ 9,466
Cash and cash equivalents	185,040	-
Invested securities lending collateral	342,361	-
Receivables:		
Accounts	309,039	-
Accrued interest	18,842	-
Notes Receivable-DC Member	26,985	-
Investments /Participants	746,642	-
Short-term investments	14,891	-
Equity securities	826,995	-
Domestic equities	1,327,609	-
U.S. and foreign government fixed income securities	565,877	-
Domestic corporate fixed income	650,083	-
International equities and fixed income	383,318	-
Commingled index funds	93,082	-
Real assets	694,266	-
Private equities and venture capital funds	600,996	-
Prepaid expenses	403	-
Capital assets, net	17,838	-
Total assets	6,804,267	9,466
Liabilities		
Accounts payable	16,125	59
Payable for securities purchased	47,708	-
Securities lending obligation	342,361	-
Other liabilities	283,626	-
Total liabilities	689,820	59
Net Position		
Net investment in capital assets	6,232	-
Restricted for pensions	6,108,215	-
Net position restricted for other purposes	-	9,407
Total net position	$ 6,114,447	$ 9,407

(1) Information presented for the pension trust funds is as of December 31, 2022.

CITY OF DALLAS, TEXAS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the Year Ended September 30, 2023
(in thousands)

	Pension Trust Funds (1)	Custodial Funds
Additions:		
Contributions:		
Employer	$ 240,006	$ -
Employee	178,864	-
Total contributions	418,870	-
Net investment income:		
Interest and dividends	179,129	68
Net change in fair value of investments	(924,460)	-
Securities lending income	1,349	-
Less investment expenses:		
Investment management fees	(27,447)	-
Custody fees	(112)	-
Consultant fees	(516)	-
Securities lending management fees	(269)	-
Total investment expenses	(28,344)	-
Net investment income (loss)	(772,326)	68
Other receipts:		
Confiscated money receipts	-	2,024
Unclaimed property receipts	-	810
Municipal court receipts for other jurisdictions	-	119
Other income	1,557	-
Total other receipts	1,557	2,953
Total	(351,899)	3,021
Deductions:		
Benefit payments	649,559	-
Refund of contributions	16,608	-
Administrative expenses	30,199	-
Withdrawals - deferred compensation participants	63,543	-
Confiscated money payments	-	2,708
Unclaimed property payments	-	1,035
Municipal court payments to other jurisdictions	-	117
Total deductions	759,909	3,860
Increases (Decreases) in Net Position	(1,111,808)	(839)
Net position beginning of year	7,226,255	10,246
Net position end of year	$ 6,114,447	$ 9,407

(1) Information presented for the pension trust funds is for the year ended December 31, 2022.

CITY OF DALLAS, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
September 30, 2023

INDEX PAGE

Note 1.	-	Summary of Significant Accounting Policies	37
Note 2.	-	Stewardship, Compliance, and Accountability	51
Note 3.	-	Joint Ventures	54
Note 4.	-	Tax Abatements	55
Note 5.	-	Cash, Deposits, and Investments	57
Note 6.	-	Receivables	75
Note 7.	-	Restricted Assets	76
Note 8.	-	Capital Assets	77
Note 9.	-	Interfund Receivables, Payables, and Transfers	80
Note 10.	-	Accounts Payable and Accrued Expenses	81
Note 11.	-	Long-term Debt	82
Note 12.	-	Leases	101
Note 13	-	Public-Private Partnerships	108
Note 14	-	SBITA	108
Note 15.	-	Defeasance of Debt	110
Note 16.	-	Risk Management – Estimated Claims and Judgments Payable	111
Note 17.	-	Accrued Landfill Liability	112
Note 18.	-	Pollution Remediation	112
Note 19.	-	Pension Plans	114
Note 20.	-	Commitments and Contingencies	123
Note 21.	-	Dallas Water Utilities Prepaid Escrow	124
Note 22.	-	Other Postemployment Benefits	124
Note 23.	-	Subsequent Events	127

Note 1. Summary of Significant Accounting Policies

A. General

The City of Dallas, Texas ("the City") is a municipal corporation incorporated under Article XI, Section 5 of the Constitution of the State of Texas (Home Rule Amendment). The City operates under the Council-Manager form of government and provides such services as are authorized by its charter to advance the welfare, health, comfort, safety, and convenience of the city and its inhabitants.

The accounting policies of the City conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Unless otherwise indicated, amounts are presented in thousands (000's). The more significant accounting and reporting policies and practices used by the City are described below.

B. Reporting Entity

The accompanying basic financial statements present the City and its component units, entities for which the government is considered to be financially accountable. The criteria considered in determining activities to be reported within the City's basic financial statements include whether:

- the organization is legally separate (can sue and be sued in their own name);
- the City appoints a voting majority of the organization's board;
- the City is able to impose its will on the organization;
- the organization has the potential to impose a financial benefit/burden on the City; and
- there is fiscal dependency by the organization on the City.

The City's municipal services, which include public safety (police and fire), environmental and health services, code enforcement, streets, public works, and transportation, equipment and building, culture and recreation, housing and human services, and general administrative services, are included in the accompanying basic financial statements.

In addition, the City owns and operates certain enterprise funds including water utilities, convention services, airport, sanitation, and other enterprise activities that are also included in the accompanying basic financial statements.

Blended Component Units

Blended component units, although legally separate entities, are included as part of the primary government because they meet the above criteria as well as serve or benefit the City exclusively. Thus, blended component units are appropriately presented as funds of the primary government. The information reported for the pension trust funds is as of December 31, 2022 and the Trinity River Corridor Local Government Corporation and Love Field Airport Modernization Corporation (LFAMC) is as of September 30, 2023.

- Pension Trust Funds – The Pension Trust Funds include defined benefit plans and deferred compensation plans. The Pension Trust Funds have a December 31 year-end. The primary functions of the defined benefit pension entities are investment and benefit management activities. Each board for the defined benefit pension entities has contracted with various investment managers and banks for management of the portfolios of the plans. The City contributes on behalf of its employees to three defined benefit pension plans administered by two legally separate entities: the Employees' Retirement Fund of the City of Dallas, at 1920 McKinney Avenue, 10th Floor, Dallas, TX 75201; and Dallas Police and Fire Pension System, at 4100 Harry Hines Boulevard, Ste. 100, Dallas, TX 75219. Complete financial statements of each plan may be obtained at the administrative offices. The City has contracted with an outside firm to provide custodial, investment, trustee, and recordkeeping services for the deferred compensation pension trust funds. The City does not make contributions for the deferred compensation pension trust funds; however, qualified individuals may make contributions to accumulate resources for their retirement. The financial statements for the deferred compensation pension trust funds are located on pages 157 and 158 of this report.
- Love Field Airport Modernization Corporation (LFAMC) – The City created the LFAMC, a Texas nonprofit local government corporation organized under Subchapter D of Chapter 431 of the Texas Transportation Code. The Corporation was formed to serve as a conduit financing entity for the purpose of issuing bonds to promote the development of the geographic area of the city included at or in the vicinity of Love Field Airport to promote, develop, and maintain the employment, commerce, aviation activity, tourism, and economic development in the City. This component unit is blended with the Airport Revenues Fund.

Note 1. Summary of Significant Accounting Policies (continued)

- Trinity River Corridor Local Government Corporation – The Corporation was organized for aiding, assisting, and acting on behalf of the City in the performance of its governmental functions; namely, the design, planning, development, financing, operation, and maintenance of public recreation uses of City fee-owned property located in a portion of the Trinity River Corridor. This component unit is blended with the Stormwater Operations special revenue fund.

Discretely Presented Component Units – The following legally separate entities are reported as discretely presented component units of the City because the City appoints a voting majority of the boards, approves budgets, and maintains the ability to impose its will on the entities. The discretely presented component units of the governmental activities and the business-type activities are reported in separate columns in the government-wide financial statements to emphasize that they are legally separate from the government. The information reported for the Dallas Convention Center Hotel Development Corporation and the Housing Finance Corporation is as of December 31, 2022, and all others are as of September 30, 2023.

- Housing Finance Corporation – organized to issue tax-exempt mortgage revenue bonds to encourage opportunities for single-family residential home ownership among low to moderate-income citizens.
- Housing Acquisition and Development Corporation – organized solely and exclusively for the public purpose of providing safe, affordable housing facilities for low and moderate-income persons.
- Dallas Development Fund – organized to assist in carrying out the economic development program and objectives of the City by generating private investment capital through the New Markets Tax Credit Program to be made available for investment in low-income communities.
- Downtown Dallas Development Authority – The primary function of the Downtown Dallas Development Authority (DDDA) is to increase the property tax base in the downtown area of the city. The DDDA operates in a manner similar to other tax increment financing zones of the City but has a separate board. Its primary purpose is to issue revenue bonds to finance major improvements by developers.
- North Oak Cliff Municipal Management District – organized to promote, develop, encourage and maintain employment, commerce, transportation, housing, tourism, recreation and the arts, entertainment, economic development, safety, the public welfare in the District, and educational scholarships for college-bound students residing in or out of the District.
- Cypress Waters Municipal Management District – organized to promote, develop, encourage and maintain employment, commerce, transportation, housing, tourism, recreation and the arts, entertainment, economic development, safety, and the public welfare in the District.
- The Dallas Public Facility Corporation (DPFC) was created to assist the City in financing, refinancing, or providing public facilities that are located within the city limits of the City of Dallas. In general, the DPFC seeks to develop and preserve mixed-income workforce housing communities to serve residents earning at or below 80 percent of the area median income as well as provide non-income restricted units.
- Dallas Convention Center Hotel Development Corporation – organized to promote the development of the geographic area of the city included at or in the vicinity of the Dallas Convention Center, in furtherance of the promotion, development, encouragement, and maintenance of employment, commerce, convention and meeting activity, tourism, and economic development in the city, including specifically, without limitation, the development and financing of a convention center hotel which is located within 1,000 feet of the Dallas Convention Center.

Entity financial statements are available for all of the above entities by contacting the City Controller's Office, 1500 Marilla, Room 2BS, Dallas, TX 75201.

Related Organizations

City officials are also responsible for appointing members to the boards of the following organizations, but the City's accountability for the organization does not extend beyond making appointment.

The Dallas/Fort Worth International Airport (DFW Airport) is jointly governed by the cities of Dallas and Fort Worth. The Cities approve the Airport's annual budget and all bond sales but have no responsibility for the DFW Airport's debt service requirements. DFW Airport is governed by a 12-member board (Board) comprised of seven members representing the City of Dallas, four members representing the City of Fort Worth, and on an annual basis, one non-voting member from the neighboring cities of Irving, Grapevine, Euless and Coppell. Members of the Board are appointed by the respective city councils. The Board is a semi-autonomous body charged with governing the DFW Airport and may enter into contracts without approval of the city councils.

Note 1. Summary of Significant Accounting Policies (continued)

The Dallas Housing Authority (Authority) is an independent organization, which has a scope of public service within the geographic boundaries of the city. Under Texas State Statutes, the responsibility for the administration and operations of the Authority is vested solely with the Authority's Board of Commissioners. The Authority is dependent on Federal funds from the Department of Housing and Urban Development and, as a result, is not financially dependent on the City. In addition, the City is not responsible for any deficits incurred and has no fiscal management control. The governing body of the Authority is its Board of Commissioners, composed of five members appointed by the Mayor of the City of Dallas. The Authority is not considered a component unit of the City, as defined by GASB since the City is not financially accountable for the operations of the Authority, has no responsibility to fund deficits or receive surpluses, and has not guaranteed the Authority's debt.

The Dallas Area Rapid Transit (DART) is a regional transportation authority under Chapter 452 of the Texas Transportation Code and is controlled by a 15-member board. The Dallas City Council appoints seven members and participating suburban city councils appoint eight board members. Its purpose is to provide transportation services in the DART service area. The voters in the DART service area approved a one percent sales tax to fund the authority annually. DART is not fiscally dependent on the City.

C. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on the primary government and its non-fiduciary component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other non-exchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or program. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and 2) grants and contributions that are restricted to meeting operational or capital requirements of a particular function or segment.

Taxes and other items are reported as general revenues, rather than as program revenues.

Separate fund level financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and individual enterprise funds are reported as separate columns in the fund financial statements.

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary financial statements. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of related cash flows.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues received within 60 days of year-end to be available, in accordance with the City's accounting policy, except as noted in the paragraph below.

Revenues susceptible to accrual include ad valorem taxes, sales tax, ambulance fees, parking fines, franchise fees, and interest. In applying the susceptible to accrual concept to Federal and State grants, revenues are recognized when applicable eligibility requirements, including time requirements, are met. The grant revenues and developer and intergovernmental contributions availability period is considered to be one year. All other revenue items are considered to be measurable and available only when the City receives the cash as the resulting net receivables are deemed immaterial, such as court fines and fees.

Expenditures are generally recorded when the liability is incurred, as under accrual accounting. However, debt service expenditures as well as expenditures related to compensated absences, arbitrage rebates, claims and judgments, other postemployment benefits, and pollution remediation are recorded only when matured and payment is due.

Note 1. Summary of Significant Accounting Policies (continued)

The City reports the following major governmental funds:

The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of general long-term debt principal, interest, and related costs.

The City reports the following non-major governmental funds:

The Capital Project Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

The Special Revenue Funds are used to account for proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

The Permanent Funds are used to account for private endowments whereby interest earnings are restricted in accordance with the endowment terms.

Proprietary Funds and Pension Trust Funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. The accounting objectives are determinations of operating income, change in net position, financial position, and cash flow. All assets, deferred outflows of resources, liabilities, and deferred inflows of resources are included on the statement of net position.

The City reports the following major proprietary funds:

The Dallas Water Utilities Fund accounts for water and wastewater services for Dallas, area customer cities, and governmental entities. Activities necessary to provide such services are accounted for in the fund, including, but not limited to, administration, operations, maintenance, finance, and related debt service.

The Convention Center Fund accounts for convention and event services for the Dallas Convention Center. Activities necessary to provide such services are accounted for in the fund, including, but not limited to, administration, operations, maintenance, finance, and related debt service.

The Airport Revenues Fund accounts for the Dallas Airports System, which includes airport services and administration of Dallas Love Field, Executive Airport, and the Heliport. Activities necessary to provide such services are accounted for in the fund, including, but not limited to, administration, operations, maintenance, finance, and related debt service. DFW airport activity is not included in the financial statements.

The Sanitation Fund accounts for solid waste collection and disposal services for residential and commercial customers in Dallas. Activities necessary to provide such services are accounted for in the fund, including, but not limited to, administration, operations, maintenance, finance, and related debt service.

The City reports the following non-major proprietary funds:

The non-major proprietary funds consist of Enterprise Funds, which are used to account for operations, other than the major proprietary funds listed above, and are operated in a manner similar to private business enterprises. Non-major Enterprise Funds include the operation of the municipal radio station and building inspections.

Additionally, the City reports the following funds:

The Internal Service Funds are used to allocate associated costs of centralized services on a cost-reimbursement basis. The services provided to other City departments are vehicles, vehicle maintenance, fuel and lubrication, communication services, data processing and programming services, office supplies, printing, copying and mailing services, risk financing, including insurance-related activities, and bond program administration.

Note 1. Summary of Significant Accounting Policies (continued)

The Pension Trust Fund accounts for the activities of three defined benefit plans and three deferred compensation plans. The defined benefit plans include the Employees' Retirement System, Police and Fire Pension System, and Supplemental Police and Fire Pension Plan. The three contributory defined benefit plans are used to accumulate resources for pension benefits payments to qualified employees. The deferred compensation plans include the 401(k) Retirement Plan, 457 Deferred Compensation Plan, and 457 Deferred Compensation Plan for Part-time, Seasonal, Temporary Employees, and City Councilmembers. The City does not make contributions for the deferred compensations plans; however, qualified individuals make contributions to accumulate resources for their retirement.

The Custodial Funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds. The three custodial funds include confiscated money, unclaimed property, and municipal court funds collected for other agencies. The Custodial Funds are accounted for using the economic resources measurement focus and accrual basis of accounting.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes (PILOT) and other charges between the Dallas Water Utilities Fund and various other funds of the City. Elimination of these charges would distort the direct costs and program revenues reported for various functions concerned.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations.

Operating revenues of the City's enterprise funds are charges to customers for sales and services, charges to other City departments, services to others, intergovernmental revenue, and other revenues. Operating expenses include cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

E. Cash, Cash Equivalents, and Investments

Cash and cash equivalents include amounts in pooled cash as well as short-term investments with the exception of the Pension Trust Funds (which consider short-term investments as regular investments). Investment income on the pooled investments is prorated monthly based upon the average daily cash balance in each fund.

Investments in U.S. government obligations are recorded at fair value based on observable inputs; investments in money market funds and hedge funds are measured at Net Asset Value (NAV); local government investment pools are measured at amortized cost, with the exception of Texas CLASS, which is reported at fair value. Other investments, except hedge funds, held in trusts for various permanent funds are recorded at fair value based on quoted market prices. Pension investments are recorded at fair value based on quoted market values, when available. The amounts recorded in the Pension Trust Funds for real estate funds and venture capital funds represent estimated fair values based upon appraised values or other comparable methods. The Commingled Index Funds estimated fair values are based upon audited financial statements.

F. Property Taxes

The City's property tax is levied each October 1 on the assessed value as of the previous January 1 for all real and income-producing (or business personal) property. Appraised values are established by the Dallas, Denton, Collin, and Rockwall Central Appraisal Districts equal to 100 percent of appraised market value as required under the State Property Tax Code. The value of real property within the Appraisal District must be reviewed every three years. The City may challenge appraised values established by the Appraisal District through various appeals and, if necessary, legal action. The City establishes tax rates on property within its jurisdiction. If the adopted tax rate, excluding tax rates for bonds and other contractual obligations, exceeds the effective tax rate by more than eight percent, qualified voters of the City may petition for an election to determine whether to limit the tax rate increase to no more than eight percent above the effective tax rate. Property taxes attach as an enforceable lien on property as of January 1 of the subsequent year.

Taxes are due October 1. Full payment can be made prior to the following January 31 to avoid penalty and interest charges. Current tax collections for the year ended September 30, 2023 were 98.58 percent of the tax levy. The City is permitted by Article XI, Section 5 of the State of Texas Constitution to levy taxes up to $2.50 per one hundred dollars of assessed valuation for general governmental services including the payment of principal and interest on general obligation long-term debt. The tax rate for fiscal year 2023 was $0.7458 per $100 dollars of assessed valuation, $0.5403 for general governmental services and $0.2055 for the payment of principal and interest on general obligation long-term debt.

Note 1. Summary of Significant Accounting Policies (continued)

G. Federal and State Grants and Entitlements

Grants and entitlements received for purposes normally financed through the general government are accounted for within the Special Revenue Funds. Grants and similar items are recognized as revenue as soon as all applicable eligibility requirements, excluding time requirements, have been met. Amounts received before time requirements are met, but after all other eligibility requirements have been met are reported as a deferred inflow of resources. Amounts received before eligibility requirements have been met are reported as unearned revenue.

H. Inventories

Inventory is valued at average cost. Inventory for all funds generally consists of expendable supplies held for consumption and are recorded as expenditures (or expenses) when consumed.

I. Prepaid Items

Prepaid items are payments made to vendors for services that will benefit periods beyond September 30, 2023. Prepaid items are recorded using the consumption method.

J. Restricted Assets

Proceeds of Enterprise Fund revenue bonds, commercial paper notes, and other financing arrangements, as well as resources set aside for revenue bond repayment, are classified as restricted assets on the statement of net position when their use is limited by applicable covenants. The Capital Project Funds record proceeds of debt issuances restricted for construction. The current Debt Service Funds are used to segregate resources accumulated for debt service payments over the next 12 months.

The assets restricted for revenue bond future debt service are used to report resources set aside to fulfill revenue bond debt reserve requirements. Other restricted assets include funds restricted for construction from revenue bond proceeds, contractual obligation debt service funds, unspent grant proceeds, escrow deposits, and customer deposits. Assets restricted for a specific purpose are utilized before the use of unrestricted assets to pay related obligations when authorized to do so.

K. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (examples include streets and bridges), are reported in the applicable governmental or business-type activities columns, in both the government-wide and proprietary fund level statement of net position. Generally, equipment with an individual cost of at least $5 thousand, infrastructure with a cost of at least $25 thousand, and buildings with a cost of at least $50 thousand and an estimated useful life of more than one year, are capitalized. Purchased or constructed capital assets are valued at historical cost or estimated historical cost if actual cost is not available. Assets acquired by donation are recorded at acquisition value on the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital asset additions and improvements are capitalized as projects are constructed.

Depreciation is computed using the straight-line method over the estimated useful or service lives of the related assets beginning on the date of acquisition or the date placed in service. Information on leased assets is presented in Note 1L and Subscription-Based Information Technology Arrangements (SBITA) is presented in Note 1M.

Note 1. Summary of Significant Accounting Policies (continued)

The estimated useful lives of the primary government's capital assets are as follows:

	Useful Life	
	Governmental Activities	Business-type Activities
Infrastructure	10-50 years	50-100 years
Reservoirs and water rights	N/A	100 years
Buildings	10-50 years	10-50 years
Improvements other than buildings	10-50 years	10-100 years
Equipment	3-20 years	3-25 years
Utility property	N/A	33-75 years

Artwork is capitalized but not depreciated. These assets are maintained for public exhibition, education, or research and are being preserved for future generations. The proceeds from sales of any pieces of the collection are used to purchase other items for the collection.

L. Leases

The Government Accounting Standards Board defines a lease as a contract that conveys control of the right to use another entity's nonfinancial asset as specified in the contract for a period of time in an exchange or exchange-like transaction. The City has established a materiality threshold of $500 thousand for purposes of recording leases as both a lessee and lessor.

City as Lessor

The City recognizes a lease receivable and deferred inflow of resources at the beginning of the lease term. In general, the lease receivable and deferred inflows of resources are measured at the present value of the lease payments expected to be received during the lease term, reduced by any provision for estimated uncollectible amounts. The City remeasures the lease receivables at subsequent financial reporting dates if one or more of the following changes have occurred at or before the financial reporting date: change in the lease term; change in the interest rate the lessor charges the lessee; and/or a change in future contingency lease payments to fixed payments for the remainder of the lease.

The key estimates and judgments related to leases include how the City determines the discount rate it uses to discount the expected lease payments to present value, lease term, and lease payments. The City uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments from the lessee. Leases with payments that depend on an index or rate, such as the Consumer Price Index or market rate, are initially measured using the index or rate as of the commencement of the lease term. Leases with periodic percentage rent increases or flat rate increases that are specified in the lease terms are included in the measurement of the lease receivable.

The City calculates the amortization of the discount on the lease receivable on a straight-line basis over the term of the lease and reports that amount as an inflow of resources (for example, interest revenue) for the period. Any payments received are allocated first to the accrued interest receivable and then to the lease receivable. This recognition does not apply to short-term leases, contracts that transfer ownership, leases of assets that are investments, or certain regulated leases.

The City accounts for the partial or full lease termination by reducing the carrying values of the lease receivable and related deferred inflow of resources, and recognizing a gain or loss for the difference. However, if the lease is terminated as a result of the lessee purchasing an underlying asset from the City, the carrying value of the underlying asset should be derecognized and included in the calculation of any resulting gain or loss.

The City recognizes short-term lease payments as inflows of resources or revenues based on the payment provisions of the lease contract. Liabilities are only recognized if payments are received in advance, and receivables are only recognized if payments are received subsequent to the reporting period.

Note 1. Summary of Significant Accounting Policies (continued)

Leases between the City's airport system and air carriers and other aeronautical users are subject to external laws and regulations. As required by Governmental Accounting Standards Board Statement No. 87, certain paragraphs of the standard do not apply to regulated leases. The City recognizes inflows of resources or revenues based on the payment provisions of the lease contract. Liabilities are only recognized if payments are received in advance, and receivables are only recognized if payments are received subsequent to the reporting period. Additional disclosures regarding regulated leases are included in Note 12.

City as Lessee

The City recognizes a lease liability and an intangible right-to-use lease asset at the beginning of a lease. In general, the lease liability and the right-to-use lease assets are measured based on the present value of the expected payments during the term of the lease. Remeasurement of a lease liability and right-to-use lease asset occurs when there is a change in the lease term and/or other changes that are likely to have a significant impact on the lease liability.

The key estimates and judgments related to leases include how the City determines the discount rate it uses to discount the expected lease payments to present value, lease term, and lease payments. The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and any purchase option price that the City is reasonably certain to exercise. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options or periods after termination options are only included in the lease term if the lease is reasonably certain to be extended. Leases with payments that depend on an index or rate, such as the Consumer Price Index or market rate, are initially measured using the index or rate as of the commencement of the lease term. Leases with periodic percentage rent increases or flat rate increases that are specified in the lease terms are included in the measurement of the lease liability.

The City calculates the amortization of the discount on the lease liability and reports that amount as outflows of resources or interest expense for the period. Payments are allocated first to accrued interest liability and then to the lease liability.

The City amortizes the right-to-use lease asset on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset. However, if a lease contains a purchase option that the City has determined is reasonably certain of being exercised, the lease asset is amortized over the useful life of the underlying asset. If the underlying asset is nondepreciable, such as land, the lease asset is not amortized. The City reports the amortization of the lease asset as an outflow of resources, amortization expense, which is combined with depreciation expense related to other capital assets for financial reporting purposes.

The City accounts for the partial or full lease termination by reducing the carrying values of the lease asset and lease liability, and recognizing a gain or loss for the difference. However, if the lease is terminated as a result of the City purchasing an underlying asset from the lessor, the lease asset will be reclassified to the appropriate class of owned asset.

Leases that are considered a short-term lease (12 months or less), transfers ownership of the underlying asset, assets held as investments, or contain variable payments based on future performance of the City or usage of the underlying assets are not included in the measurement of the lease liability. The City recognizes payments for short-term leases and variable payments as outflows of resources or expense in the period in which the City incurs the obligation for those payments.

Note 1. Summary of Significant Accounting Policies (continued)

M. Subscription-Based Information Technology Arrangements (SBITA)

The City is a subscriber of certain subscription-based information technology arrangements (SBITA). A SBITA is a contract that conveys control of the right to use a vendor's software, alone or in combination with hardware. The accounting treatment is very similar for leases (where the City is lessee) and SBITAs. In each case, the City recognizes both a liability and an intangible right-to-use asset in the Government-wide, Proprietary, and Fiduciary Fund financial statements. The right-to-use asset of a SBITA is reported with depreciable capital assets and the liabilities for SBITAs are reported with the long-term liabilities when the SBITA contract term is greater than 12 months. In general, SBITAs with a contract term of 12 months or less are recognized as outflows of resources or expense.

At the commencement of a SBITA contract, the City initially measures the SBITA liability at the present value of payments expected to be made during the subscription term. The SBITA liability is reduced by the principal portion of the subscription payments made. The SBITA asset is initially measured as the initial amount of the SBITA liability, adjusted for subscription payments made at or before the subscription commencement date, plus certain initial direct costs. The SBITA asset is amortized on a straight-line basis over the shorter of the subscription term or useful life.

The key estimates and judgements related to SBITAs are as follows:

- The City has established a materiality threshold of $500 thousand for purposes of recording SBITAs.
- The City uses the interest charged by the vendor as the discount rate, when available. If the interest rate charged by the vendor is not available, the City generally uses its estimated incremental borrowing rate.
- The subscription term includes the noncancellable period of the SBITA. In determining the subscription term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. Extension options or periods after termination options are only included in the subscription term if it is reasonably certain that the SBITA will be extended or not terminated.

Liabilities arising from a SBITA are initially measured on a present value basis. SBITA liabilities include the net present value of the following contract payments, less any SBITA vendor incentives received from the SBITA vendor at the commencement of the subscription term:

- Fixed payments;
- Variable payments that depend on an index or a rate (such as the Consumer Price Index or a marked interest rate), measured using the index or rate as of the commencement of the subscription term;
- Variable payments that are fixed in-substance;
- Payments for penalties for terminating the SBITA, if the subscription term reflects the government exercising and option to terminate the SBITA or a fiscal funding or cancellation clause; and
- Any other payments to the SBITA vendor associated with the SBITA contract that are reasonably certain of being required based on an assessment of all relevant factors.

Assets arising from a SBITA are initially measured using the sum of the following, less any SBITA vendor incentives received from the SBITA vendor at the commencement of the subscription term:

- The amount of the initial measurement of the subscription liability;
- Payments associated with the SBITA contract made to the SBITA vendor at the commencement of the subscription term, if applicable; and
- Capitalizable initial implementation costs.

The City monitors changes in circumstances that may require a remeasurement of its SBITAs and will remeasure the SBITA asset and liability balances if certain changes occur that are expected to significantly affect those balances.

N. Compensated Absences

The City's employees earn vacation, sick, and attendance incentive leave which may be used or accumulated up to certain amounts. Unused vacation and attendance incentive leave is paid upon death, retirement, or termination. Unused sick leave is reduced to a specified limit when paid upon retirement, certain terminations, or death.

Note 1. Summary of Significant Accounting Policies (continued)

In accordance with the criteria established in the Codification of Governmental Accounting Standards, Section C60, "Compensated Absences," a liability is recorded for vacation leave earned by employees attributable to past service and sick leave earned by employees attributable to past service only to the extent it is probable that such leave will result in termination pay. In addition, a liability has been recorded for certain salary related payments associated with the payment of accrued vacation and sick leave.

In the government-wide and proprietary fund statements of net position, all compensated absence liabilities incurred are recorded as liabilities. However, a liability is recorded in the governmental funds balance sheet only if they have matured and are due as a result of employee resignations, retirements, or termination.

O. Risk Management

The City is self-funded for workers' compensation, employee health insurance, most property damage, and most tort liability exposures. Commercial insurance is used where it is legally required, contractually required, or judged to be the most effective way to finance risk. Indemnity and insurance protection are also required for all City contractors, vendors, lessees, and permit holders. Claims and judgments are recorded when it is probable that an asset has been impaired or a liability has been incurred, and the amount of loss can be reasonably estimated. The recorded estimated liability for claims and judgments includes a provision for Incurred but Not Reported (IBNR) liabilities for workers' compensation, tort cases, and employee health insurance.

P. Deferred Outflows/Inflows of Resources

In addition to assets, the balance sheet and statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until then. The City has the following items that qualify for reporting in this category:

- Deferred charges on refunding – A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Pension contributions after measurement date – The pension contributions made from the measurement date of the pension plan to the current fiscal year end are deferred and will be recognized in the subsequent fiscal year.
- Difference between estimated and actual experience related to pensions and OPEB - These are amortized as a component of pension and OPEB expense over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions and benefits through the pension and OPEB plans (active employees and inactive employees) determined as of the beginning of the measurement period.
- Changes in assumptions related to pensions and OPEB – These are amortized as a component of pension and OPEB expense over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions and benefits through the pension and OPEB plans (active employees and inactive employees) determined as of the beginning of the measurement period.
- Net difference in projected and actual earnings on pension assets and difference between estimated and actual experience related to pensions – These are amortized as a component of pension expense over a closed period of five years.
- The Dallas Convention Center Hotel Development Corporation discretely presented component unit also reports a deferred outflow as a result of payment of consideration that exceeded the acquisition value of certain assets.

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Note 1. Summary of Significant Accounting Policies (continued)

In addition to liabilities, the balance sheet and statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The City has the following items that qualify for reporting in this category:

- Deferred charges on refunding – A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Unavailable revenue – This item arises only under the modified accrual basis of accounting. Accordingly, unavailable revenue, is reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The deferred inflow is reclassified to revenue on the government-wide financial statements.
- Difference between estimated and actual experience related to pensions and other postemployment benefits (OPEB) - These are amortized as a component of pension and OPEB expense over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions and benefits through the pension and OPEB plans (active employees and inactive employees) determined as of the beginning of the measurement period.
- Changes in assumptions related to pensions and OPEB – These are amortized as a component of pension and OPEB expense over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions and benefits through the pension and OPEB plans (active employees and inactive employees) determined as of the beginning of the measurement period.
- Deferred inflows of resources related to leases are reported when the City is the lessor. At the commencement of the lease, both a lease receivable and deferred inflow of resources are reported. The deferred inflow of resources is amortized and recognized as inflow of resources (revenue) over the term of the lease.
- Conduit debt obligations – When a conduit debt issuer retains title to and third-party obligor has exclusive use of portions of the capital asset, the issuer will recognize a deferred inflows of resources for the entire capital asset at acquisition value. The deferred inflow of resources should be reduced, and inflow of resources should be recognized in a systematic and rational manner over the term of the arrangement.

Q. Long-term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund financial statements of net position.

General obligation bonds are issued to fund capital projects of both the general government and certain proprietary funds and are to be repaid from tax revenues of the City. Accreted interest on capital appreciation bonds is reflected as interest expense in the governmental activities statement of activities and as an addition to non-current liabilities in the statement of net position.

R. Bond Premiums, Discounts, and Issuance Costs

In the government-wide financial statements and proprietary fund financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable premium or discount. Issuance costs, except any portion related to prepaid insurance costs (if applicable), are recognized as an expense in the period incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts as well as issuance costs in the current period. The face amount of debt issued is reflected as other financing sources. Premiums are reported as other financing sources while discounts are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Note 1. Summary of Significant Accounting Policies (continued)

S. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the fund level balance sheets/statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." Short-term and long-term interfund loans are classified as notes receivable or payable from other funds with an interest rate of 4.25 to 5.44 percent.

T. Transactions Between Funds

Transactions between funds, which would have been treated as revenues, expenditures, or expenses if they involved organizations external to the government unit, are accounted for as revenues, expenditures, or expenses in the funds involved. Transactions which constitute reimbursements of a fund for expenditures or expenses initially made from that fund which are properly applicable to another fund are recorded as expenditures or expenses in the reimbursing fund and as reductions of the expenditure or expenses in the fund reimbursed. All other nonreciprocal transactions between funds which are not reimbursements and where the funds do not receive equivalent goods or services for the transaction are classified as transfers.

U. Deferred Compensation Plans

The City sponsors three deferred compensation plans. Two of these plans are voluntary for City employees who participate in the City's pension plans. The third plan is mandatory for all employees and council members who are not covered by the City's pension plans. These plans comply with sections 401(k) and 457(b) of the Internal Revenue Code.

Participants in the City's voluntary 457(b) and 401(k) plans have full discretion to choose investments from a list of standard plan options, a linked brokerage account, and a commingled pool managed by Fidelity Management Trust Company. The list of standard plan options includes mutual funds with varying styles and levels of investment risk. All the account balances in the mandatory 457(b) plan are invested in the same commingled pool. All contributions to these plans are deferred by plan participants from their compensation and all the earnings are allocated to each participant's account. Distributions from all the deferred compensation plans are available after termination of employment. Additionally, participants in the City's voluntary plans may also take out loans and may receive hardship withdrawals in accordance with federal regulations. The assets held in these plans are not included in the City's financial statements and cannot be used for purposes other than the exclusive benefit of the participants or their beneficiaries or to pay the reasonable expenses of plan administration.

V. Net Position

In the government-wide and proprietary funds financial statements, the net position is reported in three components: (1) net investment in capital assets; (2) restricted; and (3) unrestricted. Net investment in capital assets represents the City's total investment in capital assets, net of depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Nonexpendable restricted net position consists of endowment and similar type funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained in perpetuity, and invested for the purpose of producing present and future income, which may be either expended or added to principal. The City is subject to the State of Texas Uniform Prudent Management of Institutional Funds Act (UPMIFA) in relation to endowment funds.

The Risk Fund has a deficit net position of $97.9 million associated with the City's self-insured workers' compensation, auto, and general liability activities. The deficit results from the recognition of certain liabilities that will be paid in future periods. These liabilities will be funded in the fiscal year in which they will be paid through annual budget appropriations. The City's approach for addressing this deficit is consistent with the budgetary basis of accounting for all funds as indicated in Note 2B. The Sanitation, Municipal Radio, Building Inspection, Equipment Services, Communication Equipment Services, Information Systems, and Bond Program Administration funds had deficit net positions of $121.2 million, $7.2 million, $54.6 million, $52.7 million, $1.9 million, $4.4 million, and $36 million respectively, due to the recognition of the net pension liability and the other postemployment benefit liability. The City's approach for addressing this deficit is to enhance revenues and to employ cost reduction measures.

Note 1. Summary of Significant Accounting Policies (continued)

W. Statement of Cash Flows

For purposes of the statement of cash flows, the City considers pooled cash and all highly liquid debt instruments purchased with an original maturity of three months or less or that have general characteristics of demand deposits in that additional funds may be deposited or withdrawn at any time without prior notice or penalty to be cash equivalents.

X. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Y. New Accounting Pronouncements

GASB Statement No. 91, "Conduit Debt Obligations," was implemented as required by GASB during the fiscal year ended September 30, 2023. The primary objectives of the Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with: (1) commitments extended by issuers; (2) arrangements associated with conduit debt obligations; and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The table below reflects the net effect of the restatement of net position for the Airport Revenues Fund in the Business-Type Activities due to the implementation of GASB 91.

	Airport Revenues Fund	Total Business-Type Activities
Net Position at 09/30/2022, as previously reported	$ 761,091	$ 3,855,723
Adjustments for Restatement	(56,295)	(56,295)
Net Position at 09/30/2022, Restated	$ 704,796	$ 3,799,428

There was no effect on the change in net position previously reported in the fiscal year 2022 financial statements.

Additional information regarding the financial effects of the implementation of GASB No. 91 may be found in Note 1P and Note 11M.

GASB Statement No. 94, "Public-Private and Public-Public Partnerships and Availability Payment Arrangements," was implemented as required by GASB during fiscal year ended September 30, 2023. The objective of this Statement is to better meet the information needs of financial statement users by improving the comparability of financial statements among governments that enter into Public-Private and Public-Public Partnerships (PPPs) and Availability Payment Arrangements (APAs) and by enhancing the understandability, reliability, relevance, and consistency of information about PPPs and APAs. The implementation of this statement did not result in any changes to the financial statements.

GASB Statement No. 96, "Subscription-Based Information Technology Arrangements," was implemented as required by GASB during fiscal year ended September 30, 2023. The objective of the Statement is to better meet the information needs of financial statement users by (a) establishing uniform accounting and financial reporting requirements of subscription-based information technology arrangements (SBITAs); (b) improving the comparability of financial statements among governments that have entered into SBITAs; and (c) enhancing the understandability, reliability, relevance, and consistency of information about SBITAs. As result of the implementation of GASB Statement No. 96, the SBITA capital assets and SBITA long-term liabilities were each restated on October 1, 2022 for the governmental and business-type activities by $28,845 and $5,385, respectively. Additional information regarding the financial effects of the implementation of GASB No. 96 may be found in Note 1M and Note 14.

Note 1. Summary of Significant Accounting Policies (continued)

GASB Statement No. 99, "Omnibus 2022," certain portions were implemented as required by GASB during fiscal years ended September 30, 2023 and September 30, 2022. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain Statements and (2) accounting and financial reporting for financial guarantees. The practice issues related to clarification of provisions in Statement No. 87, Leases; clarification of provisions in Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements; and clarification of provisions in Statement No. 96, Subscription-Based Information Technology Arrangements, were implemented in fiscal year ended September 30, 2023.

The GASB has issued the following statements which will be effective in future years as described below:

GASB Statement No. 99, "Omnibus 2022," the remaining portion of the Statement will be implemented as required by GASB during fiscal year ending September 30, 2024. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain Statements and (2) accounting and financial reporting for financial guarantees. While a certain portion of the Statement were implemented for fiscal years ended September 30, 2023 and 2022, the implementation for the requirements related to financial guarantees and the practice issues related to classification and reporting of derivative instruments within the scope of Statement 53, Accounting and Financial Reporting for Derivative Instruments, will be implemented in fiscal year ending September 30, 2024. The City is currently evaluating the potential changes to the financial statements as a result of implementation of the remaining portions of this Statement.

GASB Statement No. 100 "Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62", will be implemented as required by GASB during fiscal year ending September 30, 2024. The Statement will enhance the accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This statement also addresses corrections of errors in previously issued financial statements.

GASB Statement No. 101, "Compensated Absences," will be implemented as required by GASB during fiscal year ending September 30, 2025. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The City is currently evaluating potential changes to the financial statements as a result of implementation of this Statement.

GASB Statement No. 102, "Certain Risk Disclosures," will be implemented as required by GASB during fiscal year ending September 30, 2025. The objective of the Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This Statement defines a concentration as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending. The City is currently evaluating potential changes to the financial statements as a result of implementation of this Statement.

Note 2. Stewardship, Compliance, and Accountability

A. Legal Compliance – Budgets

The City Council adheres to the following procedures in establishing the budgets reflected in the accompanying financial statements.

1) By the fifteenth day of August each year, the City Manager is required to submit to the City Council a proposed budget for the fiscal year beginning the following October 1. The operating budget includes proposed expenditures and the means of financing them.
2) Public hearings are conducted to obtain taxpayers' comments.
3) Prior to October 1, the budget is legally enacted by the City Council through passage of an ordinance.
4) The City Manager is authorized to transfer budgeted amounts between accounts within any department; however, any revisions that alter the total expenditures of any department must be approved by the City Council. The legal level of budgetary control is the department level.
5) Formal budgetary integration is employed as a management control device during the year for the General Fund and Debt Service Fund. Formal budgetary integration is employed as a management control device in the capital project funds for the life of the projects.
6) Annual budgets are legally adopted for the General Fund, Debt Service Fund, and proprietary funds. Certain differences exist between the basis of accounting used for budgetary purposes and that used for financial reporting in accordance with GAAP. Budgets for the capital project funds are normally established pursuant to the terms of the related bond ordinances on a project basis.

B. Budgets and Budgetary Basis of Accounting

The City prepares its annual appropriated General Fund, Debt Service Fund, and proprietary operating funds' budgets on the budget basis which differs from the GAAP basis. The budget and all transactions of the general fund are presented in accordance with the City's budget basis in the general fund statement of revenues, expenditures, and changes in fund balances – non-GAAP budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget and GAAP basis are attributable to the elimination of certain revenues and expenditures budgeted on a non-annual basis and the fact that encumbrances are recorded as the equivalent of expenditures (budget) rather than fund balance (GAAP) in the governmental funds. Adjustments necessary to convert the excess of revenues and other financing sources over expenditures and other uses on the budget basis to a GAAP basis for the General Fund are provided below:

Excess of revenues and other financing sources over expenditures and other uses--budgetary basis	$	14,381
Change in fair value of investments		1,061
Change in encumbrances		22,397
Funds not included in general fund budget		1,635
Revenue recognized for GAAP basis but not budgetary basis		1,809
Other items budgeted on a non-GAAP basis		(16,331)
Excess of revenues and other financing sources over expenditures and other financing uses--GAAP basis	$	24,952

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to assign that portion of the applicable appropriation, is utilized as an extension of formal budgetary integration in the governmental funds. For budgetary purposes, appropriations lapse at fiscal year-end except for that portion related to encumbered amounts. For the General Fund, outstanding encumbrances are reported as assigned fund balances. These balances do not constitute expenditures or liabilities for GAAP purposes since the goods and services have not been received.

Note 2. Stewardship, Compliance, and Accountability (continued)

Encumbrances outstanding at year-end are carried forward to the new fiscal year. Such encumbrances constitute the equivalent of expenditures for budgetary purposes and, accordingly, the accompanying financial statements present comparisons of actual results to budget of governmental funds on the budget basis of accounting.

Nature and Purpose of Classifications of Fund Balance

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The non-spendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Fund balance should be reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provision or enabling legislation. Fund balance should be reported as committed when amounts can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. Committed fund balance also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements. Fund balance should be reported as assigned for amounts that are constrained by the government's intent to be used for specific purposes but are neither restricted nor committed. Intent should be expressed by the governing body itself or a body or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes. Unassigned fund balance is the residual classification for the General Fund and includes amounts that are available for any purpose. Positive amounts are reported only in the General Fund.

The City Council is the City's highest level of decision-making authority, and the formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution approved by the City Council. This can also be done through adoption or amendment of the budget. The resolution must either be approved or rescinded, as applicable, prior to the last day of the fiscal year for which the commitment is made. The amount subject to the constraint may be determined in the subsequent period.

The City Council has authorized the City Manager as the official authorized to assign fund balance up to $100 thousand per transaction, depending on the type of goods or services by administrative action, pursuant to Section 2-30 of the City Code. Such assignments cannot exceed the available (spendable, unrestricted, uncommitted) fund balance in any particular fund.

When multiple categories of fund balance are available for expenditure (for example, a construction project is being funded partly by a grant, funds set aside by the City Council, and unassigned fund balance), the City will start with the most restricted category and spend those funds first before the next category with available funds.

It is the desire of the City to maintain adequate General Fund balance to maintain liquidity and in anticipation of economic downturns or natural disasters. The City Council has adopted a financial standard to maintain an unassigned General Fund balance, which includes the Emergency and Contingency Reserves, at a level not less than 30 days of the General Fund operating expenditures, less debt service.

The table on the following page presents additional detail of fund balances as of September 30, 2023.

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Note 2. Stewardship, Compliance, and Accountability (continued)

	General	Debt Service	Non-major Governmental Funds	Total
Fund balances				
Nonspendable				
Inventory	$ 23,069	$ -	$ -	$ 23,069
Prepaid items	-	-	16,769	16,769
Permanent fund principal	-	-	9,851	9,851
Total nonspendable	23,069	-	26,620	49,689
Restricted for				
9 -1 -1	-	-	12,150	12,150
Debt service	-	100,972	-	100,972
Culture and recreation:				
Culture and recreation services	-	-	67,504	67,504
Library facilities	-	-	6,108	6,108
Parks and recreation facilities	-	-	4,231	4,231
Culture and arts facilities	-	-	2,304	2,304
Public safety:				
Police services	-	-	6,258	6,258
Homeland security	-	-	2,001	2,001
Fire station facilities	-	-	117	117
Police headquarters and safety facilities	-	-	5,424	5,424
Community development	-	-	13,239	13,239
Health and human services	-	-	666	666
Public-private partnerships	-	-	44,851	44,851
Municipal court technology	-	-	5,058	5,058
Public television cable system	-	-	13,468	13,468
Grants and other purposes	-	-	45,872	45,872
Storm water operations	-	-	98,436	98,436
Streets and transportation:				
Repairs	-	-	34,154	34,154
Improvements	-	-	214,383	214,383
Flood protection	-	-	157,514	157,514
Trinity River project	-	-	25,949	25,949
Capital reserve and assessments	-	-	22,158	22,158
Long-term note receivable	-	-	4,161	4,161
Neighborhood projects:				
Tax increment financing	-	-	219,015	219,015
Economic development incentives	-	-	48,733	48,733
City-wide capital improvements	-	-	152,861	152,861
Farmers' Market improvements	-	-	383	383
Municipal court facilities	-	-	281	281
Homeless facilities	-	-	2,668	2,668
Public improvement district services	-	-	1	1
Total restricted	-	100,972	1,209,948	1,310,920
Committed to				
Risk reserve	3,000	-	-	3,000
Culture and recreation services	-	-	41,035	41,035
Total committed	3,000	-	41,035	44,035
Assigned to				
Code enforcement services	3,538	-	-	3,538
Communication and information technology services	-	-	-	-
Community development services	546	-	-	546
Cultural affairs services	1,027	-	-	1,027
Fire safety services	5,821	-	-	5,821
Library services	98	-	-	98
Municipal court services	631	-	-	631
Parks and recreation services	2,499	-	-	2,499
Police safety services	10,904	-	-	10,904
Streets, public works and transportation maintenance	6,200	-	-	6,200
General government services	23,189	-	-	23,189
Total assigned	54,453	-	-	54,453
Unassigned	386,743	-	-	386,743
Total fund balance	$ 467,265	$ 100,972	$ 1,277,603	$ 1,845,840

Note 3. Joint Ventures

Dallas/Fort Worth International Airport (D/FW Airport)

Dallas/Fort Worth International Airport (D/FW Airport) was created by contract and agreement between the City of Fort Worth and the City of Dallas for the purpose of developing and operating an airport as a jointly governed organization between the two Cities. The D/FW Airport is governed by a 12-member board comprised of seven members representing the City of Dallas, four members representing the City of Fort Worth, and on an annual basis, one non-voting member chosen from the neighboring cities of Irving, Grapevine, Euless, and Coppell. The Board must submit an expenditure budget for each fiscal year to the City Manager of each city by August 15. The governing body of each city must approve the budget by September 1. The City is a member of the Revenue Sharing Agreement, as originally adopted on May 1, 2001. Total revenue for the year ended September 30, 2023, was approximately $13 million from this agreement. Financial statements of the Airport are not included in the City's financial statements because the Airport is not under the sole control of the Dallas City Council and the City has no ongoing financial interest or responsibility for the airport. Separate audited financial statements, which are publicly available, may be obtained by contacting the D/FW Airport at 2400 Aviation Drive, P.O. Box 619428, DFW Airport, Texas 75261-9428 or at www.dfwairport.com.

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Note 4. Tax Abatements

As of September 30, 2023, the City provides tax abatements through three programs: the Historic Preservation Program, the Public Private Partnership Program, and the Tax Increment Financing Program. The table below describes each of these programs:

Tax Abatement Programs Administered by the City of Dallas			
Tax Abatement Disclosure as required by Statement No. 77 of the Government Accounting Standards Board	Historic Preservation Program	Public Private Partnership Program (PPP Program)	Tax Increment Financing Program (TIF Program)
1. Purpose of program	To encourage economic development through the revitalization and preservation of the City's historic properties, including residential properties, and to assist in accomplishing the following goals: revitalize older neighborhoods to build and capture a stable tax base; support private sector investment in historic properties; encourage home ownership; promote pedestrian oriented, ground floor retail in the urban historic districts; support new uses for vacant and deteriorated historic buildings; and encourage low and moderate income families to invest in historic districts.	To stimulate private investment and job creation.	To promote development or redevelopment in the City. The City reinvests a portion of property tax revenues generated from new real estate development into the area to encourage the implementation of redevelopment plans.
2. Tax being abated	City of Dallas real property tax.	Real and/or business personal property, retail sales taxes, and hotel occupancy tax.	City of Dallas real property tax.
3. Authority for abatement agreements	Dallas City Code, Article XI, "Historic Preservation Tax Exemptions and Economic Development Incentives for Historic Properties."	Texas Tax Code Chapter 312, "Property Redevelopment and Tax Abatement Act" and Texas Tax Code Chapter 380, "Miscellaneous Provisions Relating to Municipal Planning and Development."	Texas Tax Code Chapter 311, "Tax Increment Financing Act."

Note 4. Tax Abatements (continued)

Tax Abatement Programs Administered by the City of Dallas			
Tax Abatement Disclosure as required by Statement No. 77 of the Government Accounting Standards Board	Historic Preservation Program	Public Private Partnership Program (PPP Program)	Tax Increment Financing Program (TIF Program)
4. Criteria for abatement eligibility	To be eligible for the program, the building must be a contributing structure within any City historic district. It must be designated as a City of Dallas historic district or an individual historic district. The type of abatement available depends on how much is invested in rehabilitation and where the property is located. Abatements are obtained through application by the property owner prior to commencing the improvements and require subsequent provision by the owner for proof that the improvements have been made.	The P/PP Program is intended to provide City support for development projects that have financial gaps or for projects that otherwise represent a competitive situation for the City against non-Dallas locations. Companies pursuing incentives under the P/PP Program must provide written assurance that "but for" the incentives, the proposed project would not occur, or would otherwise be substantially altered so that the economic returns or other associated public benefits secured by the City's participation would be reduced.	The TIF program is intended to provide City financial support for projects that 1) support goals of specific redevelopment plans for each TIF District and 2) fill funding gaps in projects. Development pursuing incentives must provide detailed financial information about the project/financing gaps; show how project meets objectives of TIF plan for district, and; meet rigorous design review process requirements.
5. How recipients' taxes are reduced	The property tax due is net of the abated amount.	1. The property tax due is net of the abated amount, or the property tax may be paid by the taxpayer and subsequently refunded by the City. 2. The sales tax abatement is refunded after the taxpayer pays the sales tax. 3. The hotel occupancy tax abatement is refunded after the taxpayer pays the hotel occupancy tax.	Property taxes are paid by the taxpayer and subsequently refunded by the City to the taxpayer.
6. How amount of abatement is determined	The property tax abatement amount is based on the improvement expenditures for the structure as a percentage of the pre-rehabilitation value of the structure. The range of the abatement amount available is equal to the tax on the added value of the structure and land up to 100 percent of the total property tax.	1. The property tax may be abated up to 90 percent of the property tax paid depending on the type of project. 2. The sales tax abated is equal to 50 percent of sales tax receipts for the first 10 years and 25 percent for the next 5 years. 3. The hotel occupancy tax is abatement is equal to 100 percent of the hotel occupancy tax collected.	TIF financial incentives are based on a number of factors: 1) financial gap; 2) ability of project to meet objectives of TIF district; and 3) adequate revenue stream.

Note 4. Tax Abatements (continued)

7. Provisions for recapturing abated taxes	There is an obligation by the owner to repay any taxes that were exempted under this program if the historic property is ever demolished or materially altered by the willful act or negligence of the owner without necessary City approvals.	If there is failure to comply with the agreement and in the case of default, all taxes which otherwise would have been paid to the City without the benefit of tax abatement, including interest and penalties thereon, will become a debt to the City and shall become due.	TIF incentives may or may not have a recapture provision. Each project is negotiated separately.
8. Type of commitments made by the City other than to reduce taxes	No other commitments were made by the City as part of these agreements.	No other commitments were made by the City as part of these agreements.	No other commitments were made by the City as part of these agreements.
9. Gross dollar amount, on accrual basis, by which the City's tax revenues were reduced as a result of abatement agreement (in thousands).	Property taxes: $968 thousand	Property tax: $7,566 Sales tax: N/A (1) Hotel occupancy tax: $4,481 Total: $12,047 (1) Texas Tax Code, Chapter 321, "Municipal Sales and Use Tax," Section 3022 - Information received by a municipality or other local governmental entity under this section is confidential, is not open to public inspection, and in general may only be used for internal purposes.	The TIF program: $35,916

Note 5. Cash, Deposits, and Investments

A. General

The City maintains a cash and investment pool available for use by all City funds. Each fund's portion of this pool is displayed on the balance sheet/statement of net position as "Pooled cash and cash equivalents." The City treats pooled investments and short-term non-pooled investments as cash equivalents. Long-term non-pooled investments are reported as "Other investments, at fair-value" in the appropriate funds. In addition, several City funds have investments, which are separately held. A fund may overdraw its account in the pool, with the overdrafts reported as liabilities (due to other funds) on the balance sheet.

In 1987, the City Council adopted the City's Investment Policy which was in compliance with Federal and State law and the City Charter. Subsequent amendments were made by the City Council to incorporate changes to the Public Funds Investment Act (Chapter 2256, Texas Government Code) and to improve management of the City's investments. The Public Funds Investment Act requires that investments shall be made in accordance with written policies approved at least annually by the governing body. Investment policies must address safety of principal, liquidity and yield, with primary emphasis on safety of principal. In accordance with this Policy, the City may invest in direct or guaranteed obligations of the U.S. Treasury, certain U.S. agencies and instrumentalities, commercial paper rated not less than A-1 or P-1 and direct obligations of states and local governments with a credit rating no less than A or its equivalent; fully collateralized certificates of deposit and repurchase agreements; no-load money market mutual funds and local government investment pools with credit ratings no less than Aaa or its equivalent. The City's Investment Pool is an aggregation of the majority of City funds which includes tax receipts, enterprise fund revenues, fine and fee revenues, as well as some, but not all, bond proceeds, grants, gifts, and endowments. This portfolio is maintained to meet anticipated daily cash needs for City of Dallas operations, capital projects, and debt service. The City is precluded from investing in bankers' acceptances, and collateralized mortgage obligations, all of which are authorized by State law.

Note 5. Cash, Deposits, and Investments (continued)

The Employees' Retirement Fund and the Dallas Police and Fire Pension Systems, component units of the City, are included under Pension Trust in the following table. Police and Fire Pension Plans include Dallas Police and Fire Pension Combined Plan (Combined Plan) and Supplemental Police and Fire Pension Plan (Supplemental Plan). A summary of pooled cash and other investments for all City funds, including blended component units and $9.5 million held in custodial funds is presented below. Balances are presented as of September 30, 2023 or December 31, 2022, depending on the fiscal year of the entity.

	Cash and Pooled Investments with City Treasury	Other Cash and Investments Held in Trusts - Permanent Funds	Other Cash and Investments Held in Pension Trust	Total
Cash and cash equivalents	$ 2,110,526	$ -	$ 185,040	$ 2,295,566
Other investments	3,235	9,851	5,499,478	5,512,564
Restricted cash and investments	1,763,826	-	-	1,763,826
Total	$ 3,877,587	$ 9,851	$ 5,684,518	$ 9,571,956

A summary of the carrying amount of cash on hand, deposits, and investments at September 30, 2023, is as follows:

	Cash and Pooled Investments with City Treasury	Other Cash and Investments Held in Trusts - Permanent Funds	Other Cash and Investments Held in Pension Trust	Total
Deposits	$ 143,623	$ -	$ 185,040	$ 328,663
Investments	3,733,964	9,851	5,499,478	9,243,293
Total	$ 3,877,587	$ 9,851	$ 5,684,518	$ 9,571,956

Primary Government	Carrying Value	Bank Balance
Pooled Demand Deposits	$ 143,623	$ 151,003
Cash and cash equivalents - Pension Trust Funds	185,040	185,040
Total	$ 328,663	$ 336,043

B. City of Dallas

The City of Dallas categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, level 2 inputs are significant other observable inputs, and level 3 inputs are significant unobservable inputs.

Note 5. Cash, Deposits, and Investments (continued)

The City has the following recurring fair value measurements as of September 30, 2023:

	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Investments by Fair Value Level			
Federal Agricultural Mortgage Corporation Notes	$ 110,715	$ -	$ 110,715
Federal Farm Credit Bank Notes	400,192	-	400,192
Federal Home Loan Bank Notes	560,531	-	560,531
Federal Home Loan Mortgage Corporation Notes	71,732	-	71,732
Private Exporting Funding Corporation	30,714	-	30,714
Commercial Paper	630,063	-	630,063
Municipal Bonds	9,608	-	9,608
Treasury Bonds & Notes	942,707	942,707	-
Exchange-Traded Funds - Equities	7,310	7,310	-
Exchange-Traded Funds - Fixed Income	2,151	2,151	-
Total Investments by Fair Value Level	2,765,723	$ 952,168	$ 1,813,555
Investments Measured at Fair Value			
Local Government Investment Pools	145,193		
Investments Measured at Net Asset Value (NAV)			
Money Market Mutual Funds	383,374		
Investments Measured at Amortized Cost			
Local Government Investment Pools	430,296		
Other Investments Measured at Purchase Cost			
Repurchase Agreements	19,229		
Total Investments	$ 3,743,815		

The City invests in LOGIC, TexSTAR, Texas CLASS, TexPool, and TexasTERM, which are Local Government Investment Pools (LGIPs) created under the Interlocal Cooperation Act, Texas Government Code Chapter 791, and the Public Funds Investment Act, Texas Government Code Chapter 2256. These two acts provide for the creation of LGIP's and authorize eligible governmental entities to invest their public funds and funds under their control through the investment pools. The LGIPs follow all requirements of the Public Funds Investment Act, including being rated by a nationally recognized rating agency, using amortized cost valuation, and, to the extent reasonably possible, stabilize at a $1 net asset value.

J.P. Morgan Investment Management Inc. and First Southwest Company (a division of Hilltop Securities) serve as co-administrators for the TexSTAR & LOGIC programs under agreements with each pool's respective board of directors. The TexSTAR governing board is a five-member Board consisting of three representatives of employees, officers or elected officials of participating government entities, and one member designated by each of the co-administrators. In addition, TexSTAR has an Advisory Board composed of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool. The governing body of LOGIC is a five-member board of directors comprised of employees, officers or elected officials of participating government entities, or individuals who do not have a business relationship with LOGIC and are qualified to advise the pool. A maximum of two Advisory Board members represent the co-administrators of LOGIC.

Note 5. Cash, Deposits, and Investments (continued)

Public Trust Advisors, LLC provides investment advisory services and administration and marketing services to Texas CLASS. Texas CLASS Board of Trustees oversees Texas CLASS. The Board is comprised of active members of the pool and elected by the Participants, guided by the Advisory Board. The Board is responsible for selecting the Administrator and Investment Advisors.

The Comptroller of Public Accounts for the State of Texas is the sole officer, director, and shareholder of the Texas Treasury Safekeeping Trust Company, which is authorized to operate TexPool and TexPool Prime. Pursuant to the TexPool Participation Agreement, administrative and investment services to the TexPool Portfolios are provided by Federated Investors, Inc., under an agreement with the State Comptroller, acting on behalf of the Trust Company. In addition, TexPool has an Advisory Board composed equally of participants in the TexPool Portfolios and other persons who do not have a business relationship with the TexPool Portfolios who are qualified to advise the TexPool Portfolios.

PFM Asset Management LLC serves as Investment Advisor and Administrator of TexasTERM. An Advisory Board is responsible for the overall management of the pool, including formation and implementation of its investment and operating policies. The members of the Advisory Board are local government officials elected by Texas TERM's investors.

Deposit and Investment Risk Disclosures

GASB Statement No. 40, "Deposit and Investment Risk Disclosures," requires disclosure information related to common risks inherent in deposit and investment transactions. Investments are subject to certain types of risks, including custodial credit risk, concentration of credit risk, interest rate risk, and foreign currency risk. Exposure of deposited funds and investment risk are disclosed in the following sections of this note.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its deposit or collateral securities that are in the possession of an outside party. As of September 30, 2023, the City was fully collateralized by a letter of credit issued to the City by Federal Home Loan Bank up to $150 million, and $250 thousand was insured by the Federal Deposit Insurance Corporation. The collateral pledged to the City is held in the City's name at the Bank of New York Mellon. The FDIC insures demand accounts up to $250 thousand in the aggregate. At September 30, 2023, all deposits were either insured or collateralized.

Fully collateralized and insured deposits held by custodian banks:

Demand Deposits	$ 48.55 million

Safekeeping of investment securities is provided by the City's depository and trust institutions. Securities are held in street name with the bank as nominee. As of September 30, 2023, the City's investments held by the counterparty, and not insured, are as follows:

Security Type	Fair Value
U.S. Agency Securities and Treasury Notes and Municipal Bonds	$ 2,756,261

Note 5. Cash, Deposits, and Investments (continued)

Concentration of Credit Risk

The City's concentration of credit risk for investments is shown below. Investments issued or explicitly guaranteed by the U.S. government, and investments in mutual funds and external investment pools, are excluded.

Agency Securities by Issuer	Fair Value	Percent of Total Portfolio
Federal Agricultural Mortgage Corporation Notes	$ 110,715	4.02%
Federal Farm Credit Bank Notes	400,192	14.52%
Federal Home Loan Bank Notes	560,531	20.34%
Federal Home Loan Mortgage Corporation Notes	71,732	2.60%
Private Export Funding Corporation	30,714	1.11%
Commercial paper	630,063	22.86%
Municipal Bond	9,608	0.35%
Treasury Bond	332,093	12.05%
Treasury Note	610,614	22.15%
Total Agency Securities	$ 2,756,262	100.00%

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Money market mutual funds and local government investment pools in the City's portfolio are rated AAA by Standard & Poor's and/or Aaa by Moody's. U.S. Treasury Notes and Bills are obligations of the U.S. government and are not considered to have credit risk and thus are not rated (NR). Long-term bond ratings are used for the U.S. Government Agencies except for Federal Agricultural Mortgage Corporation (FAMC) Notes. U.S. Government Agencies are direct obligations of the United States agencies, the principal and interest of which are unconditionally guaranteed or insured by or backed by the full faith and credit of the United States agencies. Ratings for the City's portfolio are listed on the following table.

Security Type	Fair Value	Percent of Total Portfolio	S&P/Moody's Ratings
Money Market Mutual Funds and Local Government Investment Pools	$ 958,863	25.81%	AAAm/Aaa
Federal Agricultural Mortgage Corporation Notes	110,715	2.98%	Not Rated
Other U.S. Agency Securities and Treasury Bond	2,645,547	71.21%	AA+/Aaa
Total Portfolio	$ 3,715,125	100.00%	
Repurchase Agreements and Investment Portfolios Held by Various Trusts	28,690		
Total Investments	$ 3,743,815		

Interest Rate Risk

In order to ensure the ability of the City to meet obligations and to minimize potential liquidation losses, the dollar-weighted average stated maturity of the Investment Pool shall not exceed 3 years. The weighted average maturities of the City's investments at September 30, 2023 are shown on the following page.

Note 5. Cash, Deposits, and Investments (continued)

Security Type	Fair Value	Weighted Average Maturity (days)
Money Market Mutual Funds	$ 383,375	1
Local Government Investment Pools	575,488	42
U.S. Agency Securities and Treasury Bond	2,756,262	766
Total Portfolio	3,715,125	575
Repurchase Agreements and Investment Portfolios Held by Various Trusts	28,690	
Total Investments	$ 3,743,815	

C. Employees' Retirement Fund

The Employees' Retirement Fund measures and categorized its investments according to fair value hierarchy guidelines established by Generally Accepted Accounting Principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Quoted prices for identical investments in active markets;
- Level 2: Observable inputs other than quoted market prices in active market; and
- Level 3: Significant Unobservable inputs.

At December 31, 2022, the Plan had the following recurring fair value measurements.

		Fair Value Measurements Using		
	Total	Level 1	Level 2	Level 3
Investments by Fair Value Level				
Cash and Short Term Investment:				
Short-Term Investment Fund	$ 109,754	$ 109,754	$ -	$ -
Fixed Income:				
Domestic Asset and Mortgage Backed Securities	77,797	-	77,797	-
Government and US Agency Obligations	244,514	-	244,514	-
Corporate and Taxable Municipal Bonds	475,103	-	475,103	-
Index Fixed Income Funds	11,968	11,931	37	-
Total Fixed Income	809,382	11,931	797,451	-
Equity:				
Domestic Common and Preferred Stock	1,006,555	1,005,206	1,123	226
International Common and Preferred Stock	374,264	374,159	105	-
Total Equity	1,380,819	1,379,365	1,228	226
Total Investments by Fair Value Level	2,299,955	$ 1,501,050	$ 798,679	$ 226
Investments Measured at Net Asset Value				
Commingled Funds	508,405			
Alternative Investments - Private Equity	728,159			
Total Investments Measured at Net Asset Value	$ 1,236,564			

Note 5. Cash, Deposits, and Investments (continued)

Custodial Credit Risk

As of December 31, 2022, the Employees' Retirement Fund had $5.7 million, or 0.2 percent of the total Plan investments of $3.4 billion exposed to custodial credit risk as follows:

Uninsured and uncollateralized held by custodian bank outside the United States	$5.7 million

Concentration of Credit Risk

The Employees' Retirement Fund board has contracted with investment managers to manage the investment portfolio of the Plan, subject to the policies and guidelines established by the board. Northern Trust Company, as the Plan's custodian bank, had responsibility for the safekeeping of certain investments, handling of transactions based on the instructions of investment managers, and accounting for the investment transactions. The Plan had no investments that individually represented 5 percent or more of the net position available for benefits at December 31, 2022. The Plan's concentration of credit risk policy is communicated to individual managers in their guidelines through limitations or restrictions to securities, sectors, debt ratings, and other factors that may be applicable to a particular manager.

Credit Risk

The Employees' Retirement Fund Investment policy allocates 30 percent of the total assets to fixed income. The policy provides for investments of up to 15 percent of fixed income assets in investment grade assets, up to 10 percent of fixed income assets in below investment grade assets, and up to 5 percent for Opportunistic Credit. The investment grade allocation allows the managers to invest up to 20 percent of their portfolio assets in non-US dollar issues on an opportunistic basis. Long term bond ratings for the Employees' Retirement Fund as of December 31, 2022 are shown on the following page.

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Note 5. Cash, Deposits, and Investments (continued)

Quality Rating	Fair Value	Percent of Bond Portfolio
AAA	$ 97,942	10.95%
AA+	30,146	3.37%
AA	605	0.07%
AA-	104	0.01%
A+	552	0.06%
A	156	0.02%
A-	21,068	2.35%
BBB+	21,338	2.38%
BBB	4,456	0.50%
BBB-	10,039	1.12%
BB+	15,898	1.78%
BB	24,667	2.76%
BB-	44,380	4.96%
B+	56,473	6.31%
B	56,394	6.30%
B-	32,068	3.58%
CC	146	0.02%
CCC+	16,943	1.89%
CCC	3,798	0.42%
D	364	0.04%
Not Rated	369,741	41.33%
U.S. Government fixed income securities - NR	87,319	9.76%
Total	$ 894,597	100.00%

Interest Rate Risk

In the Employees' Retirement Fund, Government Mortgage-Backed Securities are most sensitive to changes in interest rates as their payments can vary significantly with interest rate changes. This change in prepayments will generally cause the duration, or interest rate risk, of these securities to increase when interest rates rise and decrease when interest rates fall. These securities represent 14 percent of the total fixed income portfolio with a fair value of $124,135 million at December 31, 2022. The Employees' Retirement Fund communicates its policy for interest rate risk to the Fixed Income managers through the Fixed Income Asset Policy and each manager's guidelines.

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Note 5. Cash, Deposits, and Investments (continued)

As of December 31, 2022, the Employees' Retirement Fund weighted-average maturities of the fixed income securities are as follows:

Fixed Income Securities	Fair Value	Weighted Average Maturity (Years)
Asset Backed Securities	$ 31,624	14.08
Bank Loans	25,899	4.50
Commercial Mortgage-Backed	11,251	22.45
Corporate Bonds	557,649	38.70
Government Agencies	3,733	14.13
Government Bonds	124,325	15.67
Government Mortgage-Backed Securities	124,135	65.58
Index Lined Government Bonds	4,487	8.59
Municipal/Provincial Bonds	1,286	8.94
Non-Government Backed CMOs	10,208	26.21
Total	$ 894,597	
Portfolio weighted average maturity in years:		13.64

Foreign Currency Risk

The Employees' Retirement Fund investment policies limit the aggregate amount that can be invested in each class of investments. The equity investment policy sets an allocation of 12.5 percent of assets to international equity, 7.5 percent of the assets to global equity, and 12.5 percent to global low volatility equity. The fixed income policy permits up to 15 percent of the global manager's portfolio to be invested in global investment grade fixed income bonds. The Fund's positions in these equity securities, invested directly and through commingled funds, was 13.90 percent of invested assets at December 31, 2022. The Fund's positions in Global Fixed income assets invested were 26.11 percent of invested assets at December 31, 2022. Employees' Retirement Fund non-US Dollar denominated investments at December 31, 2022 were as shown on the following page.

Currency	Investment Type	Balances (U.S. Dollars)
Various Foreign Currencies	Equity	$ 555,125
Various Foreign Currencies	Fixed Income	10,472
Various Foreign Currencies	Currency Forward	131,278
Total non-US denominated instruments		$ 696,875

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Note 5. Cash, Deposits, and Investments (continued)

Securities Lending Transactions

The board of the Employees' Retirement Fund has authorized the Plan to enter into agreements for the lending of certain of the Plan's securities (the "Securities Lending Program" or Program) including, but not limited to, stocks and bonds to counter party brokers and banks ("borrowers"), for a predetermined period of time and fee. Such transactions are not prohibited by State statute.

During the fiscal year ended December 31, 2022, Northern Trust ("Northern") lent, on behalf of the Employees' Retirement Fund, securities held by Northern, as a custodian, and received United States dollar cash, United States government agency securities, agency securities, and irrevocable bank letters of credit as collateral. Northern did not have the ability to pledge or sell collateral securities absent a borrower default. Northern Trust's Core USA Collateral Section establishes requirements for participation, collateralization levels, cash and non-cash collateral guidelines, and investment guidelines for the collateral received from borrowers. Borrowers were required to put up collateral for each loan equal to: (i) in the case of loaned securities, the collateral for which is all denominated in the same currency as the loaned securities, 102 percent of the fair value of the loaned securities plus any accrued but unpaid distributions thereon, and (ii) in the case of loaned securities, the collateral for which is denominated in a different currency from the loaned securities, 105 percent of the fair value of the loaned securities plus any accrued but unpaid distributions thereon. Additionally, the guidelines set maturity/liquidity requirements for the collateral received from borrowers. At year-end, the Plan had no credit risk exposure to borrowers because the amounts of collateral held by the Plan exceed the amounts the borrowers owe the Plan. The collateral held for the Plan as of December 31, 2022 was $342 million and is reported as an asset on the Statement of Net Position for the fiduciary funds.

The Board did not impose any restrictions during the fiscal year on the amount of the loans that Northern made on their behalf. There were no failures by any borrowers to return the loaned securities or pay distributions thereon during the fiscal year. Moreover, there were no losses during the fiscal year resulting from a default of the borrowers or Northern. Northern is contractually obligated to fully indemnify the Plan for a borrower's failure to return the loaned securities.

During the fiscal year, the Board and the borrowers maintained the right to terminate all securities lending transactions on demand. The cash collateral was invested, together with the collateral of other qualified tax-exempt plan lenders, in collective investment pools maintained by Northern. The relationship between the average maturities of the investment pools and the Plans' loans were affected by the maturities of the loans made by other plans' entities that invested cash collateral in the collective investment pools, which the Board could not determine.

D. Dallas Police and Fire Pension System

Investment in Group Master Trust

The Dallas Police and Fire Pension System's (the System) investments are held in the Group Master Trust (Group Trust). JP Morgan Chase served as custodian for the year ended December 31, 2022. The book value of the System interests in the Group Trust is based on the unitized interests that it has in the Group Trust. The Combined Plan's interest in the Group Trust was approximately 99.1 percent at December 31, 2022. The Supplemental Plan's interest in the Group Trust was approximately 0.9 percent at December 31, 2022. The allocation of investment income between the Combined Plan and the Supplemental Plan is based on the number of units owned of the Group Trust. Benefits, contributions, and administrative expenses are allocated to each plan directly.

Note 5. Cash, Deposits, and Investments (continued)

GASB No. 72 requires all investments be categorized under a fair value hierarchy. Fair value of investments is determined based on both observable and unobservable inputs. Investments are categorized within the fair value hierarchy established by GASB and the levels within the hierarchy are as follows:

- Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date;
- Level 2: Inputs (other than quoted pries included within Level 1) that are observable for an asset or liability, either directly or indirectly. These inputs can include quoted prices for similar assets or liabilities in active or inactive markets, or market-corroborated inputs; and
- Level 3: Significant unobservable inputs for an asset or liability.

The remaining investments not categorized under the fair value hierarchy are shown at NAV. These are investments in non-governmental entities for which a readily determinable fair value is not available, such as member units or an ownership interest in partners' capital to which a proportionate share of net assets is attributed. Investments at NAV are commonly calculated by subtracting the fair value of liabilities from the fair value of assets.

The table below presents a summary of the Group Trust's investments by type as of December 31, 2022, at fair value.

		Fair Value Measurements Using		
	Total	Level 1	Level 2	Level 3
Investments by Fair Value Level				
Short-term investment funds	$ 14,891	$ 14,891	$ -	$ -
Fixed income securities				
US Treasury bonds	29,661	-	29,661	-
US Government Agencies	14,047	-	14,047	-
Corporate bonds	135,059	-	135,059	-
Municipal bonds	4,932	-	4,932	-
Equity securities				
Domestic	329,167	329,167	-	-
Foreign	248,746	248,746	-	-
Real assets				
Real estate	88,790	-	-	88,790
Farmland	92,759	-	-	92,759
Private equity	7,500	-	-	7,500
Forward currency contracts	(1)	-	(1)	-
Total Investments by Fair Value Level	965,551	$ 592,804	$ 183,698	$ 189,049
Investments Measured at Net Asset Value				
Equity - commingled funds	249,083			
Fixed income - commingled funds	137,665			
Real assets	166,373			
Private Equity	211,682			
Total Investments Measured at Net Asset Value	764,803			
Total Investments Measured at Fair Value	$ 1,730,354			

Note 5. Cash, Deposits, and Investments (continued)

Custodial Credit Risk

DPFP does not have a formal policy for custodial credit risk of its deposits. The Federal Depository Insurance Corporation (FDIC) insures any deposits of an employee benefit plan in an insured depository institution on a "pass-through" basis, in the amount of up to $250,000 for the non-contingent interest of each plan participant at each financial institution. The pass-through insurance applies only to vested participants. DPFP believes the custodial credit risk for deposit, if any, is not material.

Credit Risk

The Dallas Police and Fire Pension System does not have a formal policy limiting investment credit risk, but rather mandates such limits within the Investment Management Services Contract. The System's exposure to investment credit risk in fixed income securities as of December 31, 2022 is shown below.

Quality Rating	Corporate Bonds	Municipal Bonds	U.S. Government Securities	Grand Total Book Value	Percentage of Holdings
AAA	$ 15,900	$ 249	$ 945	$ 17,094	9.30%
AA+	1,660	718	30,602	32,980	17.95%
AA	964	212	144	1,320	0.72%
AA-	2,102	1,120	-	3,222	1.75%
A+	2,956	1,697	-	4,653	2.53%
A	3,316	648	-	3,964	2.16%
A-	8,731	142	-	8,873	4.83%
BBB+	9,349	-	-	9,349	5.09%
BBB	9,369	-	-	9,369	5.10%
BBB-	10,515	-	-	10,515	5.72%
BB+	5,266	-	-	5,266	2.87%
BB	7,064	-	-	7,064	3.84%
BB-	9,797	-	-	9,797	5.33%
B+	11,349	-	-	11,349	6.18%
B	7,327	-	-	7,327	3.99%
B-	5,457	-	-	5,457	2.97%
Below B-	7,822	-	-	7,822	4.26%
Not Rated	16,115	146	12,017	28,278	15.39%
Subtotal	$ 135,059	$ 4,932	$ 43,708	$ 183,699	100.00%
Total credit risk debt securities				$ 183,699	10.62%
Other investments				1,546,655	89.38%
Total investments				$ 1,730,354	100.00%

Note 5. Cash, Deposits, and Investments (continued)

Interest Rate Risk

As of December 31, 2022, the Dallas Police and Fire Pension Plans had the following investments and maturities:

		Investment Maturity in Years			
Investment Type	Total	Less Than 1 Year	1 - 5 Years	6 - 10 Years	More Than 10 Years
Fixed maturity domestic:					
U.S. Treasury Bonds	$ 29,661	$ 3,836	$ 17,966	$ 2,705	$ 5,154
U.S. Government Agencies	14,047	-	1,025	647	12,375
Corporate Bonds	135,059	5,631	74,817	26,154	28,457
Municipal Bonds	4,932	705	1,403	469	2,355
Total	$ 183,699	$ 10,172	$ 95,211	$ 29,975	$ 48,341

While the Plans do not have a specific investment policy to limit investment maturities as a means of managing their exposure to interest rate risk, the Plans do manage this exposure by mandating maturity limits within the Investment Management Service Contracts.

Foreign Currency Risk

Police and Fire Pension Plans do not have specific policy guidelines other than the constraints included in the individual investment manager contracts. Police and Fire Pension Plans non-US Dollar denominated investments at December 31, 2022 is shown below.

Currency	Investment Type	Balance of Investment (U.S. Dollars)
Various Foreign Currencies	Equity	$ 196,873
Various Foreign Currencies	Real Assets	17,448
Total non-US denominated instruments		$ 214,321

Note 5. Cash, Deposits, and Investments (continued)

During the fiscal year, the Board and the borrowers maintained the right to terminate all securities lending transactions on demand. The cash collateral was invested, together with the collateral of other qualified tax-exempt plan lenders, in collective investment pools maintained by and JP Morgan. The relationship between the average maturities of the investment pools and the Plans' loans were affected by the maturities of the loans made by other plans' entities that invested cash collateral in the collective investment pools, which the Board could not determine.

E. City of Dallas 401(k) Retirement Savings Plan

The 401(k) Retirement Savings Plan measures and categorized its investments according to fair value hierarchy guidelines established by Generally Accepted Accounting Principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Quoted prices for identical investments in active markets;
- Level 2: Observable inputs other than quoted market prices in active market; and
- Level 3: Significant Unobservable inputs.

At December 31, 2022, the Plan had the following recurring fair value measurements.

		Fair Value Measurements Using		
	Total	Level 1	Level 2	Level 3
Investments by Fair Value Level				
Mutual Funds	$ 286,773	$ 286,773	$ -	$ -
Brokerage Accounts	22,467	22,467	-	-
Total Investments by Fair Value Level	$ 309,240	$ 309,240	$ -	$ -
Investments Measured at Net Asset Value (NAV)				
Stable Value Fund	50,731			
Total Investments	$ 359,971			

Custodial Credit Risk

The 401(k) Retirement Savings Plan has no formal policy for custodial credit risk. At December 31, 2022, there were no investments subject to custodial credit risk.

Concentration of Credit Risk

The 401(k) Retirement Savings Plan has no formal policy for concentration of credit risk credit risk. At December 31, 2022, there were no investments subject to concentration of credit risk.

Credit Risk

The 401(k) Retirement Savings Plan has no formal policy for credit risk credit risk. Information on the credit ratings associated with the Stable Value Fund at December 31, 2022, is shown in the table below:

Note 5. Cash, Deposits, and Investments (continued)

Security Type	Fair Value	Percent of Total Portfolio	S&P Rating
Corporate Bond	$ 16,619	32.76%	AA to Not Rated
Bankers Acceptance	294	0.58%	A+ to Not Rated
FHLMC	690	1.36%	AAA to Not Rated
FNMA	1,618	3.19%	Not Rated
GNMA2	36	0.07%	Not Rated
Municipal Bond	350	0.69%	AAA to AA-
Mutual Fund	406	0.80%	Not Rated
Mortgage Related	6,301	12.42%	AAA to Not Rated
Common Stock	117	0.23%	Not Rated
Treasury Note	24,300	47.90%	Not Rated
Total	$ 50,731	100.00%	

Interest Rate Risk

As of December 31, 2022, City of Dallas 401(k) Retirement Savings Plan weighted-average maturities of the fixed income securities in the stable value fund are as follows:

Security Type	Fair Value	Weighted Average Maturity (Years)
Corporate Bond	$ 16,619	1.02
Bankers Acceptance	294	0.01
FHLMC	690	0.09
FNMA	1,618	0.41
GNMA2	36	0.02
Municipal Bond	350	0.01
Mutual Fund	406	0.98
Mortgage Related	6,301	1.64
Common Stock	117	-
Treasury Note	24,300	1.70
Total	$ 50,731	
Portfolio weighted average maturity in years:		1.36

Foreign Currency Risk

The 401(k) Retirement Savings Plan has no formal policy for foreign currency risk. There were no investments subject to foreign currency risk at December 31, 2022.

F. City of Dallas 457 Deferred Compensation Plan for City Employees

The 457 Deferred Compensation Plan measures and categorized its investments according to fair value hierarchy guidelines established by Generally Accepted Accounting Principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Quoted prices for identical investments in active markets;
- Level 2: Observable inputs other than quoted market prices in active market; and
- Level 3: Significant Unobservable inputs.

Note 5. Cash, Deposits, and Investments (continued)

At December 31, 2022, the Plan had the following recurring fair value measurements.

	Total	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by Fair Value Level				
Mutual Funds	$ 304,723	$ 304,723	-	-
Brokerage Accounts	34,062	34,062	-	-
Total Investments by Fair Value Level	$ 338,785	$ 338,785	$ -	$ -
Investments Measured at Net Asset Value (NAV)				
Stable Value Fund	43,348			
Total Investments	$ 382,133			

Custodial Credit Risk

The 457 Deferred Compensation Plan has no formal policy for custodial credit risk. At December 31, 2022, there were no investments subject to custodial credit risk.

Concentration of Credit Risk

The 457 Deferred Compensation Plan has no formal policy for concentration of credit risk. At December 31, 2022, there were no investments subject to concentration of credit risk.

Credit Risk

The 457 Deferred Compensation Plan has no formal policy for credit risk credit risk. Information on the credit ratings associated with the Stable Value Fund at December 31, 2022, is shown in the table below:

Security Type	Fair Value	Percent of Total Portfolio	S&P Rating
Corporate Bond	$ 14,201	32.76%	AA to Not Rated
Bankers Acceptance	251	0.58%	A+ to Not Rated
FHLMC	590	1.36%	AAA to Not Rated
FNMA	1,383	3.19%	Not Rated
GNMA2	30	0.07%	AAA to AA-
Municipal Bond	299	0.69%	Not Rated
Mutual Fund	347	0.80%	AAA to Not Rated
Mortgage Related	5,384	12.42%	Not Rated
Common Stock	99	0.23%	Not Rated
Treasury Note	20,764	47.90%	Not Rated
Total	$ 43,348	100.00%	

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Note 5. Cash, Deposits, and Investments (continued)

Interest Rate Risk

As of December 31, 2022, the City of Dallas 457 Deferred Compensation Plan for City Employees weighted-average maturities of the fixed income securities are as follows:

Security Type	Fair Value	Weighted Average Maturity (Years)
Corporate Bond	$ 14,201	1.02
Bankers Acceptance	251	0.01
FHLMC	590	0.09
FNMA	1,383	0.41
GNMA2	30	0.02
Municipal Bond	299	0.01
Mutual Fund	347	0.98
Mortgage Related	5,384	1.64
Common Stock	99	-
Treasury Note	20,764	1.70
Total	$ 43,348	
Portfolio weighted average maturity in years:		1.36

Foreign Currency Risk

The 457 Deferred Compensation Plan has no formal policy for foreign currency risk. There were no investments subject to foreign currency risk at December 31, 2022.

G. City of Dallas 457 Deferred Compensation Plan for Part-Time, Seasonal and Temporary Employees, and City Councilmembers

The 457 Deferred Compensation Plan for Part-Time, Seasonal and Temporary Employees, and City Councilmembers measures and categorized its investments according to fair value hierarchy guidelines established by Generally Accepted Accounting Principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Quoted prices for identical investments in active markets;
- Level 2: Observable inputs other than quoted market prices in active market; and
- Level 3: Significant Unobservable inputs.

Note 5. Cash, Deposits, and Investments (continued)

At December 31, 2022, the Plan had the following recurring fair value measurements.

Investments Measured at Net Asset Value (NAV)	Total
Stable Value Fund	$ 4,538

Custodial Credit Risk

The 457 Deferred Compensation Plan for Part-Time, Seasonal and Temporary Employees, and City Councilmembers has no formal policy for custodial credit risk. At December 31, 2022, there were no investments subject to custodial credit risk.

Concentration of Credit Risk

The 457 Deferred Compensation Plan for Part-Time, Seasonal and Temporary Employees, and City Councilmembers has no formal policy for concentration of credit risk. At December 31, 2022, there were no investments subject to concentration of credit risk.

Credit Risk

The 457 Deferred Compensation Plan for Part-Time, Seasonal and Temporary Employees, and City Councilmembers has no formal policy for credit risk. Information on the credit ratings associated with the Stable Value Fund at December 31, 2022, is shown in the table below:

Security Type	Fair Value	Percent of Total Portfolio	S&P Rating
Corporate Bond	$ 1,487	32.77%	AA to Not Rated
Bankers Acceptance	26	0.57%	AA to Not Rated
FHLMC	62	1.37%	AAA to Not Rated
FNMA	145	3.20%	Not Rated
GNMA2	3	0.07%	Not Rated
Municipal Bond	31	0.68%	AAA to AA-
Mutual Fund	36	0.79%	Not Rated
Mortgage Related	564	12.43%	AAA to Not Rated
Common Stock	11	0.24%	Not Rated
Treasury Note	2,173	47.88%	Not Rated
Total	$ 4,538	100.00%	

Note 5. Cash, Deposits, and Investments (continued)

Interest Rate Risk

As of December 31, 2022, the City of Dallas 457 Deferred Compensation Plan for Part-Time, Seasonal and Temporary Employees, and City Councilmembers weighted-average maturities of the fixed income securities are as follows:

Security Type	Fair Value	Weighted Average Maturity (Years)
Corporate Bond	$ 1,487	1.02
Bankers Acceptance	26	0.01
FHLMC	62	0.09
FNMA	145	0.41
GNMA2	3	0.02
Municipal Bond	31	0.01
Mutual Fund	36	0.98
Mortgage Related	564	1.64
Common Stock	11	-
Treasury Note	2,173	1.70
Total	$ 4,538	
Portfolio weighted average maturity in years:		1.36

Foreign Currency Risk

The 457 Deferred Compensation Plan for Part-Time, Seasonal and Temporary Employees, and City Councilmembers has no formal policy for foreign currency risk. There were no investments subject to foreign currency risk at December 31, 2022..

Note 6. Receivables

Receivables on September 30, 2023 for the government's individual major and nonmajor governmental and internal service funds, including the applicable allowances for uncollectible accounts, consist of the following:

	General	Debt Service	Nonmajor	Internal Service Funds	Total Governmental Activities
Receivables:					
Ad valorem tax	$ 38,163	$ 14,648	$ -	$ -	$ 52,811
Sales tax	72,143	-	-	-	72,143
Notes	507	-	66,228	-	66,735
Special assessments - paving notes	-	-	6,084	-	6,084
Accounts	103,890	-	36,103	2,694	142,687
Accrued interest	2,667	530	9,534	661	13,392
Leases	77,207	-	28,696	-	105,903
Due from other governments	7,411	-	42,004	-	49,415
Gross receivables	301,988	15,178	188,649	3,355	509,170
Less allowance for uncollectible accounts	(65,505)	(12,732)	(47,587)	-	(125,824)
Net total receivables	$ 236,483	$ 2,446	$ 141,062	$ 3,355	$ 383,346

Note 6. Receivables (continued)

Receivables on September 30, 2023 for the primary government's individual major and nonmajor enterprise funds in the aggregate including the applicable allowances for uncollectible accounts, consist of the following:

	Dallas Water Utilities	Convention Center	Airport Revenues	Sanitation	Nonmajor Enterprise	Total Business-type Activities
Receivables:						
Accounts	$ 127,879	$ 12,559	$ 18,739	$ 26,173	$ 212	$ 185,562
Taxes	-	2,971	-	-	-	2,971
Accrued interest	4,465	1,384	1,672	247	244	8,012
Leases	235	29,983	33,501	-	-	63,719
Due from other governments	123	-	13,579	8	-	13,710
Gross receivables	132,702	46,897	67,491	26,428	456	273,974
Less allowance for uncollectible accounts	(24,538)	-	(64)	(11,638)	-	(36,240)
Net total receivables	$ 108,164	$ 46,897	$ 67,427	$ 14,790	$ 456	$ 237,734

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. Intergovernmental revenues and related receivables arise through funding received from federal and state grants. These revenues and receivables are earned through expenditures of monies for grant purposes. On September 30, 2023, the various components of deferred inflows of resources – unavailable revenue and unearned revenue reported in the governmental funds were as follows:

	Total Governmental Unearned	Deferred Inflows of Resources Unavailable Revenue
Taxes	$ -	$ 2,503
Accounts	3,835	56,331
Intergovernmental	267,167	50,939
Leases	-	103,106
Total	$ 271,002	$ 212,879

Note 7. Restricted Assets

The primary government's governmental and business-type restricted assets of $982 million and $1.1 billion, respectively, are composed of the following at September 30, 2023:

	Governmental Activities	Business-Type Activities
Cash and investments:		
Pooled cash and cash equivalents	$ 981,972	$ 672,625
Other investments	-	109,229
Future pipeline reserve capacity rights	-	338,804
Customer assessments	-	632
Total	$ 981,972	$ 1,121,290

The restricted amounts are for accumulated resources for debt service payments, deposits from service users, unspent bond and other proceeds for construction, retention guarantees from contractors, future pipeline reserve capacity rights, and escrow deposits (see Note 11X for additional information).

Note 8. Capital Assets

Capital asset activity for the year ended September 30, 2023 is as follows:

	Restated Balance, September 30, 2022*	Additions	Deletions	Balance, September 30, 2023
Governmental Activities:				
Capital assets, not being depreciated:				
Land	$ 573,001	$ 24,127	$ -	$ 597,128
Artwork	50,323	347	-	50,670
Construction in progress	592,839	192,922	(273,641)	512,120
Total capital assets, not being depreciated	1,216,163	217,396	(273,641)	1,159,918
Capital assets, being depreciated:				
Buildings	1,575,629	75,233	-	1,650,862
Improvements other than buildings	805,997	10,790	-	816,787
Equipment	914,505	157,312	(13,520)	1,058,297
Infrastructure assets	3,228,036	149,828	-	3,377,864
Total capital assets, being depreciated:	6,524,167	393,163	(13,520)	6,903,810
Less accumulated depreciation for:				
Buildings	(691,631)	(32,789)	-	(724,420)
Improvements other than buildings	(309,575)	(19,343)	-	(328,918)
Equipment	(645,682)	(50,167)	13,364	(682,485)
Infrastructure assets	(1,234,743)	(60,358)	-	(1,295,101)
Total accumulated depreciation	(2,881,631)	(162,657)	13,364	(3,030,924)
Total capital assets being depreciated, net	3,642,536	230,506	(156)	3,872,886
Right-to-use assets				
Land	4,009	-	-	4,009
Buildings	30,167	539	-	30,706
Equipment	5,685	119,539	-	125,224
SBITA	28,845	13,513	-	42,358
Total right-to-use assets	68,706	133,591	-	202,297
Less accumulated amortization for:				
Land	(196)	(196)	-	(392)
Buildings	(2,279)	(2,630)	-	(4,909)
Equipment	(1,240)	(11,201)	-	(12,441)
SBITA	-	(11,986)	-	(11,986)
Total accumulated amortization	(3,715)	(26,013)	-	(29,728)
Total right-to-use assets, net	64,991	107,578	-	172,569
Governmental activities capital assets, net	$ 4,923,690	$ 555,480	$ (273,797)	$ 5,205,373

*The SBITA capital asset balance was restated on October 1, 2022 due to the implementation of GASB No. 96, Subscription-Based Information Technology Arrangements.

Note 8. Capital Assets (continued)

Depreciation and amortization expense charged to functions:

	Depreciation	Amortization	Total
General government	$ 20,838	$ 24,660	$ 45,498
Public safety	16,445	-	16,445
Code enforcement	690	-	690
Environment and health services	223	-	223
Streets, public works, and transportation	75,671	-	75,671
Equipment and building services	20,281	-	20,281
Culture and recreation	27,883	-	27,883
Housing	626	1,353	1,979
Total depreciation expense - governmental activities	$ 162,657	$ 26,013	$ 188,670
(includes $5,952 of depreciation and amortization expense for the Internal Service Funds)			

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Note 8. Capital Assets (continued)

	Restated Balance, September 30, 2022*	Additions	Deletions	Balance, September 30, 2023
Business-Type Activities:				
Capital assets, not being depreciated:				
Land	$ 275,949	$ 448	$ -	$ 276,397
Artwork	5,574	-	-	5,574
Construction in progress	1,469,186	460,912	(278,650)	1,651,448
Total capital assets, not being depreciated	1,750,709	461,360	(278,650)	1,933,419
Capital assets, being depreciated:				
Water rights	353,910	-	-	353,910
Buildings	2,055,891	11,104	-	2,066,995
Improvements other than buildings	622,005	40,739	-	662,744
Equipment	937,258	28,191	(1,753)	963,696
Infrastructure assets	605,088	6,473	-	611,561
Utility property	4,928,010	242,264	(1,202)	5,169,072
Total capital assets, being depreciated:	9,502,162	328,771	(2,955)	9,827,978
Less accumulated depreciation for:				
Water rights	(138,148)	(3,539)	-	(141,687)
Buildings	(869,295)	(43,985)	-	(913,280)
Improvements other than buildings	(256,228)	(22,578)	-	(278,806)
Equipment	(639,890)	(35,828)	2,178	(673,540)
Infrastructure assets	(299,936)	(10,593)	-	(310,529)
Utility property	(1,577,002)	(99,815)	867	(1,675,950)
Total accumulated depreciation	(3,780,499)	(216,338)	3,045	(3,993,792)
Total capital assets being depreciated, net	5,721,663	112,433	90	5,834,186
Right-to-use assets				
Land	62,464	-	-	62,464
Buildings	20,521	3,568	(5,970)	18,119
SBITA	5,385	-	-	5,385
Total right-to-use assets	88,370	3,568	(5,970)	85,968
Less accumulated amortization for:				
Land	(183)	(183)	-	(366)
Buildings	(1,880)	(1,868)	416	(3,332)
SBITA	-	(1,411)	-	(1,411)
Total accumulated amortization	(2,063)	(3,462)	416	(5,109)
Total right-to-use assets, net	86,307	106	(5,554)	80,859
Business-type activities capital assets, net	$ 7,558,679	$ 573,899	$ (284,114)	$ 7,848,464

*The SBITA capital asset balance was restated on October 1, 2022 due to the implementation of GASB No. 96, Subscription-Based Information Technology Arrangements.

Note 8. Capital Assets (continued)

Depreciation and amortization expense charged to business-type activities:

	Depreciation	Amortization	Total
Dallas Water Utilities	$ 144,619	$ 1,551	$ 146,170
Convention Center	18,096	-	18,096
Airport Revenues	41,535	901	42,436
Sanitation	11,617	380	11,997
Nonmajor Enterprise Funds	471	630	1,101
Total depreciation expense - business-type activities	$ 216,338	$ 3,462	$ 219,800

Note 9. Interfund Receivables, Payables, and Transfers

Due to Other Funds/From Other Funds

A portion of the interfund payable due from nonmajor governmental funds to the General Fund was a result of a bank overdraft from other fund's share of pooled cash.

Amounts due from and due to other funds on September 30, 2023 were as follows:

		Due to Other Funds	
Due From Other Funds	Amount	General	Nonmajor Governmental
General	$ 9,223	$ -	$ 9,223
Dallas Water Utilities	268	268	-
Total	$ 9,491	$ 268	$ 9,223

Interfund Notes Receivable and Payable

Interfund notes receivable and payable balances at September 30, 2023 were as follows:

	Note Payable
	Nonmajor
Note receivable	Governmental
Nonmajor governmental	$ 4,161
Dallas Water Utilities	5,148
Total	$ 9,309

These balances relate to long-term borrowings to finance various capital acquisitions and equipment purchases.

Note 9. Interfund Receivables, Payables, and Transfers (continued)

Transfers In/Out

Transfers made between funds during the fiscal year are listed below:

		Transfers In						
Transfers Out	Amount Transferred	General	Debt Service	Nonmajor Governmental	Convention Center	Sanitation	Nonmajor Enterprise	Internal Service
General	$ 48,953	$ -	$ -	$ 38,976	$ 386	$ -	$ 15	$ 9,576
Nonmajor Governmental	39,529	1,965	2,532	26,018	-	8,732	-	282
Dallas Water Utilities	27,300	18,800	-	8,500	-	-	-	-
Convention Center	15,480	479	-	15,001	-	-	-	-
Airport Revenues	403	-	403	-	-	-	-	-
Sanitation	13,000	4,622	4,211	4,167	-	-	-	-
Nonmajor Enterprise	871	676	195	-	-	-	-	-
Internal Service	28,297	13,898	2,919	2	-	1,567	-	9,911
Total	$ 173,833	$ 40,440	$ 10,260	$ 92,664	$ 386	$ 10,299	$ 15	$ 19,769

These transfers were primarily for support of operation and maintenance, construction projects, asset purchases, and to service the debt associated with the respective funds. Transfers were also made from the Dallas Water Utilities fund for payments-in-lieu-of-taxes (PILOT), which are recorded as transfers rather than operation and maintenance expenses due to the nonreciprocal nature of the transactions. Under the terms of the bond ordinance, PILOT and other similar payments are not considered operation and maintenance of the Dallas Water Utilities Fund; therefore, they are not included in the debt coverage calculation. Capital assets in the amount of $5,741 reassigned from the governmental activities to the business-type activities of have been reclassified to transfers on the Statement of Activities.

Note 10. Accounts Payable and Accrued Expenses

The primary government's accounts payable and accrued expenses at September 30, 2023 are as follows:

	General	Debt Service	Nonmajor Governmental	Internal Service	Total Governmental Activities
Accrued payroll	$ 19,765	$ -	$ 1,317	$ 1,843	$ 22,925
Accounts payable	51,520	1,310	29,569	19,362	101,761
Due to other governments	3,900	-	1	-	3,901
Contracts payable	-	-	71,877	-	71,877
Other liabilities	5,203	-	1,512	6,924	13,639
Construction accounts payable	-	-	16,829	-	16,829
Total	$ 80,388	$ 1,310	$ 121,105	$ 28,129	$ 230,932

	Dallas Water Utilities	Convention Center	Airport Revenues	Sanitation	Nonmajor	Total Business-type Activities
Accrued payroll	$ 3,406	$ 303	$ 767	$ 1,268	$ 786	$ 6,530
Accounts payable	25,104	6,701	34,975	3,149	2,845	72,774
Due to other governments	-	3	317	1,113	-	1,433
Other liabilities	-	-	-	-	3,512	3,512
Construction accounts payable	85,265	9,350	4,296	-	-	98,911
Total	$ 113,775	$ 16,357	$ 40,355	$ 5,530	$ 7,143	$ 183,160

Note 11. Long-Term Debt

A. Governmental Activities

The changes in the governmental activities long-term liabilities for the year ended September 30, 2023 are as follows:

General Obligation Bonds	Restated Balance, September 30, 2022*	Additions	Deletions	Balance, September 30, 2023	Due Within One Year
Building America Bonds Series 2010B	$ 60,455	$ -	$ 6,715	$ 53,740	$ 6,930
Refunding Bonds Series 2013A	102,345		71,645	30,700	10,235
Refunding Bonds Series 2014	351,510	-	45,635	305,875	45,710
Refunding Bonds Series 2015	130,035	-	10,840	119,195	10,840
Refunding Bonds Series 2017	229,705	-	17,105	212,600	17,100
Refunding Bonds Series 2018	52,420	-	2,315	50,105	2,435
Refunding Bonds Series 2019A	200,255	-	11,780	188,475	11,780
Refunding Bonds Series 2019B	130,850	-	7,700	123,150	7,700
Refunding Bonds Series 2020A	162,023	-	15,819	146,204	8,125
Refunding Bonds Series 2021A	237,115	-	35,545	201,570	35,525
Refunding Bonds Series 2021B	3,135	-	315	2,820	315
Refunding Bonds Series 2023A		381,135	-	381,135	16,240
Tax and Revenue Certificates					
Series 2020	12,800	-	1,600	11,200	1,600
Series 2021	45,920		5,105	40,815	5,105
Series 2023		55,185	-	55,185	5,520
Contractual Obligations					
Equipment Acquisition Series 2020	17,795	-	5,935	11,860	5,930
Equipment Acquisition Series 2020B	19,650	-	4,915	14,735	4,915
Equipment Acquisition Series 2021	26,880		5,380	21,500	5,375
Equipment Acquisition Series 2023		71,600	14,320	57,280	14,320
Pension Obligation Bonds					
Taxable Series 2005A	34,279	-	-	34,279	-
Series 2005B	31,067	-	-	31,067	-
Taxable Refunding Bonds Series 2020B	50,176	-	24,538	25,638	25,638
Total Bonds, Obligations, and Certificates	1,898,415	507,920	287,207	2,119,128	241,338
Add: Unamortized Premium/Discount	201,775	54,602	38,833	217,544	-
Add: Accretion	126,796	17,777	-	144,573	-
Total Bonds, Obligations, and Certificates	2,226,986	580,299	326,040	2,481,245	241,338
Direct borrowings and placements					
Commercial paper notes payable	9,185	13,220	22,405	-	-
Notes payable	16,138	-	2,411	13,727	2,464
Financed purchases-equipment master lease	121,161	-	29,937	91,224	23,853
Leases payable	35,152	120,078	15,927	139,303	14,386
SBITA payable	28,845	12,091	14,231	26,705	7,361
Total direct borrowings and placements	210,481	145,389	84,911	270,959	48,064
Other liabilities:					
Compensated absences	118,086	67,356	64,618	120,824	59,943
Other postemployment benefits	169,651	12,098	22,975	158,774	10,180
Pollution remediation	2,353	1,864	1,801	2,416	2,416
Developer payable	99,640	12,971	51,464	61,147	37,097
Estimated unpaid claims	126,810	163,272	149,303	140,779	82,485
Net pension liability	3,671,537	2,159,253	363,952	5,466,838	-
Total other liabilities	4,188,077	2,416,814	654,113	5,950,778	192,121
Total governmental long-term liabilities	$ 6,625,544	$ 3,142,502	$ 1,065,064	$ 8,702,982	$ 481,523

*The SBITA liability balance was restated on October 1, 2022 due to the implementation of GASB No. 96, Subscription-Based Technology Arrangements.

Note 11. Long-Term Debt (continued)

The liability for commercial paper notes will be fully liquidated by the Debt Service Fund. The liabilities for the compensated absences, net pension liability, and other postemployment benefits will be liquidated by General Fund, Community Development Fund, Health and Human Services Fund, Library Fund, Police Fund, Recreation Fund, Management Improvement Fund, Storm Water Operations Fund, Municipal Fund, General Citizen Fund, Equipment Services Fund, Communication Equipment Services Fund, Office Services Fund, Information Systems Fund, the Risk Fund, and the Bond Program Administration Fund. The liability for the developer payable will be liquidated by the Neighborhood Projects Fund. The entire estimated unpaid claims liability of $141 million is reported in the Risk Fund, and the claims will be liquidated by that fund. The liabilities for pollution remediation and notes payable, and leases will be liquidated by the General Fund. The liability for leases will be liquidated by the General Fund, Health and Human Services Fund, Communications Services Fund, Office Services Fund, and Information System Fund. The liability for SBITAs will be liquidated from the General Fund, Transportation Fund, and Information Systems Fund.

B. Governmental General Obligation Bonds (GO Bonds), Certificates of Obligation and General Obligation Pension Obligation Bonds

In fiscal year 2023 and in prior years, the City issued GO Bonds, Certificates of Obligation, and Equipment Acquisition Contractual Obligations. These bonds are direct obligations of the City for which its full faith and credit are pledged and are payable from taxes levied on all taxable property located within the City. Events of default include nonpayment events and covenant noncompliance. In the event of default, registered owners may seek a writ of mandamus to compel officials of the City to carry out their legally imposed duties with respect to the bonds.

In June 2023, the City issued General Obligation Refunding and Improvement Bonds, Series 2023A, of $381.1 million with a premium of $48.5 million, stated interest rates of 5%, and a final maturity of February 15, 2043. The bonds were issued for the purpose of refunding General Obligation Bonds, Series 2013A, and financing capital construction projects. Proceeds of $62.4 million were deposited with an escrow agent to be used to pay the outstanding principal amount of the refunded bonds. As a result, $61.4 million of the refunded bonds are considered defeased and the liability for these bonds have been removed from the financial statements. Total debt service payments decreased by $7.3 million as a result of the refunding. The City also incurred an economic gain (difference between the present value of the old debt and the new debt service payments) of $6.6 million. The remaining portion of the bonds issued will be used to finance capital construction projects.

In June 2023, the City issued Combination Tax and Revenue Certificates of Obligation, Series 2023, of $55.2 million with a premium of $6.1 million, stated interest rate of 5 percent, and a final maturity of February 15, 2033. These bonds were issued for the purpose of financing capital construction projects.

In January 2023, the City issued Equipment Acquisition Contractual Obligations, Series 2023, of $71.6 million, a stated interest rate of 3.6%, and a final maturity of August 15, 2027. The certificates will be used for financing the purchase of City equipment.

The General Obligation Bonds outstanding as of September 30, 2023 are as follows:

	Final	Interest Rates	Amount
Series 628	2030	4.39% to 5.61%	$ 53,740
Series 638	2032	0.76% to 5.0%	30,700
Series 1692	2034	4.0% to 5.0%	305,875
Series 1700	2034	5.00%	119,195
Series 1843	2037	3.0% to 5.0%	212,600
Series W257	2038	3.0% to 5.0%	50,105
Series 1886	2039	3.0% to 5.0%	188,475
Series 1887	2039	3.0% to 5.0%	123,150
Series 640	2041	2.0% to 5.0%	146,204
Series 3483TE	2042	2.25% to 5.0%	201,570
Series 3483TX	2032	1.35% to 2.0%	2,820
Series W974	2043	5.00%	381,135
Total			$ 1,815,569

Note 11. Long-Term Debt (continued)

The Certificates of Obligation outstanding as of September 30, 2023 are as follows:

	Final	Interest Rates	Amount
Series 644	2030	2.00% to 5.00%	$ 11,200
Series 3481	2031	5.00%	40,815
Series W975	2033	5.00%	55,185
Total			$ 107,200

The Equipment Acquisition Contractual Obligations outstanding as of September 30, 2023 are as follows:

	Final	Interest Rates	Amount
Series 643	2025	3.00% to 4.00%	$ 11,860
Series 649	2026	5.00%	14,735
Series 3482	2027	5.00%	21,500
Series 2395	2027	3.60%	57,280
Total			$ 105,375

The Pension Obligation Bonds outstanding as of September 30, 2023 are as follows:

	Final	Interest Rates	Amount
Series 600	2035	3.24% to 5.19%	$ 34,279
Series 601	2035	4.10% to 5.48%	31,067
Series 647	2024	0.295% to 1.25%	25,638
Total			$ 90,984

C. Long-Term Notes Payable (Direct Borrowings)

HUD Section 108 Loans

In previous fiscal years, the City borrowed money from the United States Department of Housing and Urban Development (HUD) and loaned it to developers. The developers in turn construct and improve real property in the City. The City has pledged only certain grant revenues and certain program income as well as all funds or investments in the accounts established for these loans as collateral for repayment. Events of default with respect to the Section 108 loans include nonpayment events and noncompliance with covenants. In the event of default, HUD may accelerate the due date of the principal amount outstanding for the note, together with accrued and unpaid interest.

State Energy Conservation Office (SECO) Loans

In previous fiscal years, the City borrowed money from the Texas State Energy Conservation Office for the purpose of making utility efficiency improvements to various buildings owned by the City and for building improvements. Events of default with respect to these loans include nonpayment events and noncompliance with covenants. In the event of default, all principal and unearned interest on the loans shall become immediately due.

The total outstanding notes payable as of September 30, 2023 are as follows:

	Final Maturity	Payments Due	Interest Rates	Amount
State Energy Conservation Office CL247	2026	Quarterly	2.50%	$ 666
State Energy Conservation Office CL272	2026	Quarterly	2.00%	2,765
State Energy Conservation Office CL273	2027	Quarterly	2.00%	2,546
Section 108 B-12-MC-48-0009	2027	Semi-Annually	2.75%	7,750
Total				$ 13,727

Note 11. Long-Term Debt (continued)

D. General Obligation Commercial Paper Notes (Direct Borrowing)

The commercial paper notes Series A and Series B are supported by a credit agreement with JPMorgan Chase Bank, N.A., and currently extends through November 28, 2025, following an extension of the credit agreement in Fiscal Year 2021-22. The Series A and Series B notes have an aggregate available amount not to exceed approximately $375.9 million, which includes $350 million of principal together with approximately $25.9 million of accrued interest for a maximum maturity date not to exceed 270 days at a rate not to exceed 10 percent per annum. The two commercial paper programs constitute an obligation subordinate to the City's general obligation bonds. Any advances for payments of commercial paper under the line of credit are secured by proceeds of the applicable portion of the tax levy as set forth in the Credit Agreements. During fiscal year 2023, $13.2 million was issued, and $22.4 million was refunded. Upon maturity, the notes will be remarketed by the commercial paper dealers or extinguished with long-term debt. The City's unused line of credit on the notes was $350 million on September 30, 2023.

These notes are direct obligations of the City for which its full faith and credit are pledged and are payable from taxes levied on all taxable property located within the City. Events of default include nonpayment of fees, breach of covenants, unsatisfied judgements over $20 million, acceleration of other debt in an amount greater than $25 million, bond ratings downgraded below Baa1/BBB+/BBB+ and nonpayment of note principal. In the event of default, the lender may utilize multiple remedies, including default rates on unpaid principal and interest, discontinuation of advances on the notes, and/or immediate termination of the agreement. The lender may seek a writ of mandamus to compel officials of the City to carry out their legally imposed duties with respect to the notes. Additionally, amounts drawn as advances or term loans are subject to acceleration in an uncured event of default, with such acceleration to take place at the earlier of (1) date on which legally expendable funds are appropriated and available or (2) February 1 of the calendar year following the next year the City levies ad valorem taxes.

E. Governmental Financed Purchases (Direct Borrowings)

Equipment Master Lease

During a prior fiscal year, the City entered into a Master Lease Agreement (the Agreement) with a bank (the Lessor). Each fiscal year from 2017 through 2022, the City entered into separate repayment schedules under the Agreement for the lease-purchase of vehicles and other equipment, and each has a maximum allowable amount equal to the principal due on that schedule. Vehicles and equipment purchased through Agreement are pledged as security for repayment of the lease liability. Events of default under the Master Lease Agreement include nonpayment events and covenant noncompliance. In the event of default, the Lessor may declare the entire amount of payments to the end of the term immediately past due and payable, initiate court action against the City to enforce performance per the Agreement, take possession of the vehicles and equipment, and/or terminate the Agreement.

The future debt service principal and interest payment requirements for the governmental activities Master Lease Agreement on September 30, 2023 are as follows:

Fiscal Year	Principal	Interest	Total
2024	$ 23,853	$ 2,466	$ 26,319
2025	20,921	1,794	22,715
2026	13,828	1,230	15,058
2027	13,233	826	14,059
2028	8,946	473	9,419
2029-2032	10,443	468	10,911
Total	$ 91,224	$ 7,257	$ 98,481

Note 11. Long-Term Debt (continued)

F. Governmental Debt Service Requirements

The future debt service principal and interest payment requirements for the City's General Obligation Bonds, Tax and Revenue Certificates, and Contractual Obligations, and Pension Obligation Bonds at September 30, 2023 are as follows:

Fiscal Year	Principal	Interest	Total
2024	$ 241,338	$ 88,959	$ 330,297
2025	213,058	101,986	315,044
2026	197,317	93,215	290,532
2027	182,946	85,228	268,174
2028	142,043	78,281	220,324
2029-2033	609,768	316,649	926,417
2034-2038	377,254	125,788	503,042
2039-2043	155,404	12,916	168,320
Total	$ 2,119,128	$ 903,022	$ 3,022,150

The future principal and interest payment requirements for the City's long-term notes payable, all of which are direct borrowings, on September 30, 2023 are as follows:

Fiscal Year	Principal	Interest	Total
2024	$ 2,464	$ 349	$ 2,813
2025	2,519	295	2,814
2026	2,414	258	2,672
2027	6,330	210	6,540
Total	$ 13,727	$ 1,112	$ 14,839

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Note 11. Long-Term Debt (continued)

G. Business-Type Activities

The changes in the business-type activities long-term liabilities for the year ended September 30, 2023 are as follows:

	Restated Balance, September 30, 2022*	Additions	Deletions	Balance, September 30, 2023	Due Within One Year
Dallas Water Utilities					
City of Dallas Waterworks and Sewer System Revenue Refunding and Improvement Bonds					
Series 2011	$ 6,460	$ -	$ 6,460	$ -	$ -
Series 2012	122,680	-	19,645	103,035	16,490
Series 2013	24,970	-	3,660	21,310	3,845
Series 2015	480,380	-	41,455	438,925	39,765
Series 2016	438,465	-	20,450	418,015	13,615
Series 2017	159,500	-	3,405	156,095	3,580
Series 2018C	144,825	-	2,995	141,830	3,150
Series 2020C	270,955	-	5,515	265,440	5,795
Series 2020D	351,340	-	10,040	341,300	16,755
Series 2021C	126,130	-	2,260	123,870	2,375
Series 2023A	-	166,330	-	166,330	-
City of Dallas Waterworks and Sewer System Revenue Refunding and Improvement Bonds (Direct Placements)					
Series 2018A	19,970	-	680	19,290	685
Series 2018B	40,100	-	1,315	38,785	1,320
Series 2019A	20,560	-	720	19,840	720
Series 2019B	41,225	-	1,390	39,835	1,395
Series 2020A	21,245	-	755	20,490	755
Series 2020B	42,510	-	1,490	41,020	1,490
Series 2021A	22,000	-	760	21,240	760
Series 2021B	44,000	-	1,515	42,485	1,515
Series 2022A	22,000	-	-	22,000	695
Series 2022B	44,000	-	-	44,000	1,335
Series 2022C	-	114,800	-	114,800	3,340
Total Revenue Bonds Payable	2,443,315	281,130	124,510	2,599,935	119,380
Add: Unamortized Premium	186,174	12,904	19,966	179,112	-
Total Revenue Bonds of Water Utilities	2,629,489	294,034	144,476	2,779,047	119,380
Pension Obligation Bonds	31,650	-	6,721	24,929	7,023
Add: Net premium/discount	17,312	-	1,156	16,156	-
Add: Accretion	34,733	4,869	-	39,602	-
Total Water Utilities Bonds	2,713,184	298,903	152,353	2,859,734	126,403
Direct borrowings					
Commercial paper notes payable	87,800	147,605	178,805	56,600	-
Leases	340	3,081	588	2,833	593
SBITA	3,507	-	870	2,637	941
Water transmission facilities financing agreement	655,174	255,000	21,358	888,816	27,170
Total direct borrowings	746,821	405,686	201,621	950,886	28,704
Other liabilities:					
Compensated absences payable	10,185	5,335	5,100	10,420	5,049
Pollution remediation	-	502	237	265	265
Other postemployment benefits	30,351	1,339	2,543	29,147	1,127
Net pension liability	219,061	367,260	22,688	563,633	-
Arbitrage rebate	-	6,442	-	6,442	-
Total other liabilities	259,597	380,878	30,568	609,907	6,441
Total long-term liabilities for Dallas Water Utilities	3,719,602	1,085,467	384,542	4,420,527	161,548
Convention Center					
Civic Center Refunding and Improvement Revenue Bonds, Series 2021	224,300	-	9,935	214,365	10,430
Add: Net premium/discount	24,609	-	(3,475)	21,134	-
Total Convention Center Revenue Bonds	248,909	-	6,460	235,499	10,430
Pension Obligation Bonds	2,247	-	480	1,767	500
Add: Net premium/discount	1,235	-	83	1,152	-
Add: Accretion	2,478	348	-	2,826	-
Total Convention Center Bonds	254,869	348	7,023	241,244	10,930
Other liabilities:					
Compensated absences	279	72	59	292	141
Pollution remediation	63	106	63	106	106
Other postemployment benefits	4,025	24	45	4,004	19
Net pension liability	21,499	7,761	479	28,781	-
Total Other Liabilities	25,866	7,963	646	33,183	266
Total long-term labilities for Convention Center	$ 280,735	$ 8,311	$ 7,669	$ 274,427	$ 11,196

*The SBITA liability balance was restated on October 1, 2022 due to the implementation of GASB No. 96, Subscription-Based Information Technology Arrangements.

Note 11. Long-Term Debt (continued)

	Restated Balance, September 30, 2022*	Additions	Deletions	Balance, September 30, 2023	Due Within One Year
Airport Revenues					
General Airport Revenue Bonds 2015	$ 92,500	$ -	$ 4,720	$ 87,780	$ 4,955
General Airport Revenue Bonds 2017	103,755	-	4,810	98,945	5,050
General Airport Revenue Bonds 2021	255,160	-	7,305	247,855	8,735
Add: Net Premium/Discount	62,534	-	8,471	54,063	-
Total Airport Revenue Bonds	513,949	-	25,306	488,643	18,740
Pension Obligation Bonds	2,964	-	630	2,334	658
Add: Net Premium/Discount	1,623	-	108	1,515	-
Add: Accretion	3,255	456	-	3,711	-
Total Airport Bonds	521,791	456	26,044	496,203	19,398
Direct borrowings					
Commercial paper notes payable	50,000	-	50,000	-	-
Leases payable	76,312	-	7,470	68,842	1,779
SBITA	548	-	59	489	64
Obligation for revenue credit agreement	79,340	-	9,745	69,595	10,230
Revenue credit agreement Net premium/discount	1,597	-	388	1,209	-
Total direct borrowing	207,797	-	67,662	140,135	12,073
Other Liabilities:					
Compensated absences	1,999	969	974	1,994	966
Pollution remediation	44	107	78	73	47
Other postemployment benefits	3,617	304	577	3,344	256
Net pension liability	17,844	78,158	4,828	91,174	-
Total other liabilities	23,504	79,538	6,457	96,585	1,269
Total long-term liabilities for Airport Revenues	753,092	79,994	100,163	732,923	32,740
Sanitation					
2020A GO Refunding General Obligation Bonds	776	-	776	-	-
Add: Net premium/discount	29	-	29	-	-
Total Sanitation General Obligation Bonds	805	-	805	-	-
Pension Obligation Bonds	10,347	-	2,199	8,148	2,296
Add: Net premium/discount	5,659	-	377	5,282	-
Add: Accretion	11,356	1,592	-	12,948	-
Total Sanitation Bonds	28,167	1,592	3,381	26,378	2,296
Direct borrowing					
Financed purchases	8,433	-	4,011	4,422	2,395
SBITA	1,330	-	369	961	377
Other liabilities:					
Compensated absences	2,683	1,480	1,373	2,790	1,352
Landfill closure/postclosure	49,017	4,966	443	53,540	359
Pollution remediation	2,048	-	1,567	481	481
Other postemployment benefits	9,464	540	1,026	8,978	455
Net pension liability	60,043	143,685	8,876	194,852	-
Total other liabilities	123,255	150,671	13,285	260,641	2,647
Total long-term liabilities for Sanitation	161,185	152,263	21,046	292,402	7,715
Non-Major Business-Type					
Pension Obligation Bonds	5,769	-	1,224	4,545	1,279
Add: Net premium/discount	3,152	-	211	2,941	-
Add: Accretion	6,325	887	-	7,212	-
Total Non-Major Business-Type Bonds	15,246	887	1,435	14,698	1,279
Direct borrowing					
Leases	3,084	487	585	2,986	555
Other liabilities:					
Compensated absences	2,266	1,286	1,226	2,326	1,127
Other postemployment benefits	4,463	320	608	4,175	269
Net pension liability	39,263	81,413	5,030	115,646	-
Total other liabilities	45,992	83,019	6,864	122,147	1,396
Total long-term liabilities for Non-Major Business-type Activities	64,322	84,393	8,884	139,831	3,230
Total Business-Type Activities - Long-Term Liabilities	$ 4,978,936	$ 1,410,428	$ 522,304	$ 5,860,110	$ 216,429

*The SBITA liability balance was restated on October 1, 2022 due to the implementation of GASB No. 96, Subscription-Based Information Techology Arrangements.

H. Water Works and Sewer System Revenue Bonds and Pension Obligation Bonds

In prior fiscal years, Dallas Water Utilities issued Waterworks and Sewer System Revenue Bonds to fund capital construction projects. These bonds are special obligations of the City, payable solely from and secured by a first lien on and pledge of the pledged revenues of the system, which include the net revenues of the system remaining after deduction of current expenses of operation and maintenance. Events of default include nonpayment events and covenant noncompliance. In the event of default, registered owners may seek a writ of mandamus to compel officials of the City to carry out their legally imposed duties with respect to the bonds.

Note 11. Long-Term Debt (continued)

In February 2023, Dallas Water Utilities issued Waterworks and Sewer System Revenue Bonds Series 2023A of $166.3 million with a premium of $12.9 million and interest rates ranging from 4.0 percent to 5.0 percent. Final maturity will occur on October 1, 2052. The bonds were issued to refund outstanding commercial paper used by Dallas Water Utilities to fund capital construction projects.

I. Water Works and Sewer System Revenue Bonds and Pension Obligation Bonds (Direct Placements)

In prior years, Dallas Water Utilities issued Waterworks and Sewer System Revenue Bonds to fund capital construction projects. These were direct placements facilitated by the Texas Water Development Board. These bonds are special obligations of the City, payable solely from and secured by a first lien on and pledge of the pledged revenues of the system, which include the net revenues of the system remaining after deduction of current expenses of operation and maintenance. Events of default include nonpayment events and covenant noncompliance. In the event of default, registered owners may seek a writ of mandamus to compel officials of the City to carry out their legally imposed duties with respect to the bonds.

In December 2022, Dallas Water Utilities issued Waterworks and Sewer System Revenue Bonds Series 2022C of $114.8 million and interest rates ranging from 2.57 percent to 3.89 percent. Final maturity will occur on October 1, 2047. The bonds were issued to fund capital construction projects.

J. Water Works and Sewer Debt Service Requirements

The Waterworks and Sewer System debt service fund provides for the payment of principal and interest on the water department outstanding revenue bonds. Operating revenues from water operations and interest earned on the cash balance in the debt service fund are pledged for repayment of the debt. Revenues are transferred from the Water Operating Fund to the debt service fund to meet annual principal and interest obligations. Pension Obligation bonds are paid through increased contributions to the debt service fund. The Water Works and Sewer System bonds outstanding as of September 30, 2023 are as follows:

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Note 11. Long-Term Debt (continued)

Series Description	Final Maturity	Interest Rates	Amount
636 Rev Bonds	2033	0.595% - 5.000%	103,035
639 Rev Bonds	2028	2.00% - 5.00%	21,310
9712 Rev Bonds	2045	1.00%-5.00%	438,925
1727 Rev Bonds	2046	3.00%-5.00%	418,015
W208 Rev Bonds	2047	4.00%-5.00%	156,095
W339 Rev Bonds	2048	4.00%-5.00%	141,830
637 Rev Bonds	2050	1.730%-5.000%	606,740
W309 Rev Bonds	2048	0.02%-1.70%	58,075
FS40 Rev Bonds	2051	0.02%-1.70%	83,570
FW40 Rev Bonds	2051	0.03%-1.34%	167,340
W931 Rev Bonds	2051	3.00%-5.00%	123,870
8360/8361/8362 Rev Bonds	2048	4.00%-5.00%	114,800
X007 Rev Bonds	2053	4.00%-5.00%	166,330
Total Revenue Bonds			2,599,935
Pension Obligation Bonds	2035	0.8% - 5.48%	24,929
Total Outstanding			$ 2,624,864

Utility Revenues Pledged

The City has pledged future water and wastewater customer revenues, net of specified operating expenses, to repay $2.6 billion in water and wastewater system revenue bonds, of which $281 million was issued during the current fiscal year and the remaining balance in prior fiscal years. Proceeds from the bonds provided financing for capital assets. The bonds are payable solely from water customer net revenues and are payable through fiscal year 2052. Net revenues, as defined in the bond documents, for each year are expected to be at least equal to 1.25 times the principal and interest requirements of all outstanding previously issued bonds and additional bonds for the year. The total principal and interest remaining to be paid on the bonds at September 30, 2023 is $3.7 billion. Principal and interest paid during fiscal year 2023 were $125 million and $86 million, respectively.

K. Convention Center (Revenue Bonds and Pension Obligation Bonds)

In previous fiscal years, the City issued Convention Center Revenue Bonds. The 7 percent Hotel Occupancy Tax, operating revenues of the Convention Center Complex, and interest earned on cash balances in the bond reserve and debt service funds are pledged for repayment of the debt. Events of default with respect to these include nonpayment events and noncompliance with covenants. In the event of default, registered owners may seek a writ of mandamus to compel officials of the City to carry out their legally imposed duties with respect to the bonds.

In October 2021, the Convention Center issued Hotel Occupancy Tax Revenue Refunding Bonds, Series 2021 of $232.9 million with a premium of $27.7 million, and stated interest rates ranging from 4.0 percent to 5.0 percent. Final maturity of the refunding bonds will occur on August 15, 2038. Proceeds of $258.9 plus additional funds from the City in the amount of $6.5 million were deposited with an escrow agent to be used to pay the outstanding principal amount of the refunded bonds. As a result, $260.8 million of refunded bonds are considered defeased and the liability for these bonds have been removed from the financial statements. Total debt service payments decreased by $70.5 million as a result of the refunding. The City also incurred an economic gain (difference between the present value of the old debt and the new debt service payments) of $53.2 million.

The Convention Center bonds outstanding as of September 30, 2023 are as follows:

Series Description	Final Maturity	Interest Rates	Amount
Texas Hotel Occupancy Tax Revenue	2038	3.00% - 5.25%	$ 214,365
Pension Obligation Bonds	2035	0.295% - 5.48%	1,767
Total Outstanding			$ 216,132

Note 11. Long-Term Debt (continued)

L. Airport Revenues (General Airport Revenue Bonds and Pension Obligation Bonds)

During September 2021, the LFAMC issued General Airport Revenue Bonds, Series 2021 of $225.2 million, with a premium of $56.9 million and interest rates ranging from 4.0 percent to 5.0 percent. Final maturity will occur on November 1, 2040. The bonds were issued to refund the obligation for the Revenue Credit Agreement (Series 2010). Proceeds of $317.7 million were deposited with an escrow agent to be used to pay the outstanding amount of the refunded bonds. The refunding resulted in a difference of $7.1 million between the net carrying amount of the old debt and the reacquisition price. This difference, reported in the accompanying financial statement as a deferred outflow of resources, is being amortized to interest expense over the life of the old bonds. Total debt service payments decreased by $114.2 million as a result of the refunding. The City also incurred an economic gain (difference between the present value of the old debt and new debt service payments) of $113.3 million.

During December 2016, the Love Field Airport Modernization Corporation (LFAMC) issued $116.85 million in General Airport Revenue Bonds, Series 2017 with a premium of $13.6 million. The stated rate on the bonds is 5 percent with a final maturity on November 1, 2036. Proceeds from the sale of the Bonds were used to complete the design and construction costs of an approximately 5,000 space parking garage and related improvements to increase public parking capacity at Love Field Airport, fund approximately 22 months of capitalized interest, which is intended to cover the period commencing with the date of issuance of the Bonds through 12 months following substantial completion of construction of the project, fund a bond debt service reserve fund, and pay cost of issuance.

In a previous year, the Love Field Airport Modernization Corporation (LFAMC) issued $109.2 million in General Airport Revenue Bonds, Series 2015 with a premium of $13.6 million. The stated interest rate on the bonds is 5 percent with a final maturity on November 1, 2035. Proceeds from the sale of the Bonds were used to fund design and construction costs of an approximately 5,000 space parking garage and related improvements to increase public parking capacity at Love Field Airport, fund approximately 27 months of capitalized interest (which is intended to cover the period commencing with the date of issuance of the Bonds through 12 months following substantial completion of construction of the parking garage, fund a bond debt service reserve fund, and pay cost of issuance for the bonds.

In November 2020, the City issued General Obligation Refunding Bonds, Taxable Series 2020B, of $76.9 million, with a premium of $0.2 million, stated interest rates ranging from 0.8 percent to 1.25 percent, and a final maturity of February 15, 2024. The bonds were issued to refund pension obligation bonds (Series 2010). Proceeds of $76.7 million were deposited with an escrow agent to be used to pay the outstanding principal amount of the refunded bonds. As a result, $75.8 million of these bonds are considered defeased and the liability for the refunded portion of these bonds has been removed from the financial statements. Total debt service payments decreased by $0.9 million as a result of the refunding. The City also incurred an economic gain (difference between the present value of the old debt and the new debt service payments) of $7.3 million. The refunding and the new bonds issued have been allocated to the City's governmental activities, Dallas Water Utilities, Convention Center, Airport Revenues, Sanitation, and Nonmajor Enterprise Funds as shown in the table in Note 11B.

Operating revenues from Airport operations and interest earned on the cash balance in the debt service fund are pledged for repayment of both issues of the General Airport Revenue Bonds. Revenues are transferred from the Airport Revenues operating fund to the Airport Revenues debt service fund to meet the annual principal and interest obligations. Events of default include nonpayment events and noncompliance with covenants. In the event of default, registered owners may seek a writ of mandamus to compel officials of the City to carry out their legally imposed duties with respect to the bonds.

Pension Obligation bonds are paid through increased contributions to the Debt Service Fund. Operating revenues from Airport operations and interest earned on the cash balance in the debt service fund are pledged for repayment of the debt. Revenues are transferred from the Airport operating fund to the debt service fund to meet annual principal and interest obligations.

Note 11. Long-Term Debt (continued)

Airport revenue and pension obligation bonds outstanding as of September 30, 2023 are as follows:

Series Description	Final Maturity	Interest Rates	Amount
General Airport Revenue Bonds 2015	2036	5.00%	$ 87,780
General Airport Revenue Bonds 2017	2036	5.00%	98,945
General Airport Revenue Bonds 2021	2040	5.00%	247,855
Pension Obligation Bonds	2035	0.295% - 5.48%	2,334
Total			$ 436,914

M. Airport Revenues Conduit Debt and Revenue Credit Agreement (Direct Borrowing)

The Love Field Airport Modernization Corporation (LFAMC), a Texas non-profit "local government corporation" and blended component unit of the City, issued $310 million in Special Facilities Revenue Bonds during November 2010, and $146.26 million in May 2012. The bonds were issued to finance the acquisition, construction, expansion, installation and equipping of certain capital improvements at Dallas Love Field Airport. Major construction commenced during fiscal year 2010 and was substantially completed during fiscal year 2015.

Prior to the issuance of the bonds, the City entered into two separate funding agreements with an airline carrier: (1) a "Facilities Agreement" pursuant to which the airline carrier is obligated to make debt service payments on the principal and interest amounts associated with the bonds (Facilities Payments), less other sources of funds the City may apply to the repayment of the bonds (including, but not limited to, passenger facility charges collected from passengers originating from Love Field Airport); and (2) a "Revenue Credit Agreement" pursuant to which the City will reimburse the airline carrier for the Facilities Payments made by the carrier.

In the event the airline carrier fails to make payments under the Facilities Agreement the City is no longer obligated to make any further payments under the Revenue Credit Agreement, and that agreement shall terminate.

A majority of the monies transferred from the City to the airline carrier under the Revenue Credit Agreement are expected to originate from a reimbursement account created in a "Use and Lease Agreement" between the City and the airline carrier. The Use and Lease Agreement is a 20-year agreement providing for, among other things, the lease of space at the Airport from the City. The remainder of such monies transferred from the City to the airline carrier under the Revenue Credit Agreement is expected to originate from (1) use and lease agreements with other airlines, (2) various concession agreements, and (3) other miscellaneous revenues generated at Love Field Airport.

All of the assets ultimately acquired by the bonds belong to the City at the time of acquisition pursuant to an Agreement for Donation and Assignment entered into between the City and the airline carrier. The bonds are a special obligation for which the airline carrier has guaranteed the principal and interest payments on the bonds, payable solely from the facilities payments to be made pursuant to the terms of the Special Facilities Agreement and other funds constituting the trust estate under the indenture, including any amounts received under the guaranty. The bonds do not constitute a debt or pledge of the faith and credit of the LFAMC, the City, the County, or the State of Texas, and accordingly have not been reported in the accompanying financial statements. In September 2021, the Special Facilities Revenue Bonds, Series 2010, were refunded with General Airport Revenue Bonds, Series 2021. As a result, the revenue credit agreement decreased approximately $310 million. The new General Airport Revenue Bonds are described in note 11N. As of September 30, 2023, the Special Facilities Revenue Bonds or conduit debt obligation outstanding was $69.6 million, and the conduit debt obligation will mature on November 1, 2028.

Note 11. Long-Term Debt (continued)

N. Airport Revenues Obligation for Revenue Credit Agreement (Direct Borrowing)

The revenue credit agreement entered into between the City and the airline carrier was made possible as a result of the rate making provisions of the Airport Use and Lease Agreement which provide for the annual calculation of airline rates and charges sufficient to recover among other things, debt service on the bonds. While the crediting back of money to the airline carrier under the revenue credit agreement will be done pursuant to a contractual agreement between the City and the airline carrier, such revenue credits are not pledged to the payment of debt service on the Bonds. The City has determined the obligation under the revenue credit agreement to be a liability, and accordingly has recorded the obligation in the accompanying financial statements. The interest rates for the obligation range between 4.39 percent to 5.48 percent, and the obligation will be amortized over a period of 30 years. The balance of the obligation for the revenue credit agreement was $69.6 million with the premium of $1.2 million for a total balance of $70.8 million, on September 30, 2023. The schedule of principal and interest payments required for the obligation is provided on the following page (in thousands):

	Airport Revenue - LFAMC		
	Obligation for Revenue Credit Agreement		
Fiscal Year	Principal	Interest	Total
2024	$ 10,230	$ 3,224	$ 13,454
2025	10,745	2,699	13,444
2026	11,280	2,149	13,429
2027	11,845	1,571	13,416
2028	12,435	964	13,399
2029	13,060	327	13,387
Total	$ 69,595	$ 10,934	$ 80,529

The balance of the deferred inflows of resources related to the Airport Revenues Fund – LFAMC conduit debt obligation was $47,042 as of September 30, 2023.

Deferred Inflows of Resources	Balance, September 30, 2023
Airport Revenues Fund - LFAMC	$ 47,042

Note 11. Long-Term Debt (continued)

O. Business-type Activities Financed Purchases (Direct Borrowings)

Equipment Master Lease

During a prior fiscal year, the City entered into a Master Lease Agreement (the Agreement) with a bank (the Lessor). Each fiscal year since 2017, the City has entered into separate repayment schedules under the Agreement for the lease-purchase of vehicles and other equipment, and each has a maximum allowable amount equal to the principal due on that schedule. Vehicles and equipment purchased through Agreement are pledged as security for repayment of the lease liability. Events of default under the Master Lease Agreement include nonpayment events and covenant noncompliance. In the event of default, the Lessor may declare the entire amount of payments to the end of the term immediately past due and payable, initiate court action against the City to enforce performance per the Agreement, take possession of the vehicles and equipment, and/or terminate the Agreement.

The future debt service principal and interest payment requirements for the Sanitation fund in the business-type activities Master Lease Agreement at September 30, 2023 are as follows:

Fiscal Year	Principal	Interest	Total
2024	$ 2,395	$ 53	$ 2,448
2025	1,605	22	1,627
2026	366	6	372
2027	56	1	57
Total	$ 4,422	$ 82	$ 4,504

P. Sanitation Enterprise Fund (General Obligation Bonds and Pension Obligation Bonds)

In November 2020, the City issued General Obligation Refunding Bonds, Series 2020, of $46.4 million, with a premium of $2.1 million, a stated interest rate of 5%, and a final maturity of February 15, 2023. These bonds were issued to refund General Obligation Refunding Bonds, Series 2010C, in the amount of $46.2 million. Proceeds of $48.1 million were deposited with an escrow agent to be used to pay the outstanding principal amount of the refunded bonds. As a result, $46.4 million are considered defeased and the liability for the refunded portion of these bonds has been removed from the financial statements. Total debt service payments decreased by $.6 million as a result of the refunding. The City also incurred an economic gain (difference between the present value of the old debt and the new debt service payments) of $1.7 million. A portion of the refunded bonds and new bonds issued were recorded in the governmental activities of the City, and the remaining amounts were recorded in the Sanitation Enterprise Fund as shown the table in Note 11B.

The Sanitation Fund provides for the payment of principal and interest on a portion of the Pension Obligation Bonds, which are paid through increased contributions to the Debt Service Fund. The bonds outstanding as of September 30, 2023 are as follows:

Series Description	Final Maturity	Interest Rates	Amount
Pension Obligation Bonds	2035	0.295% to 5.48%	$ 8,148

Note 11. Long-Term Debt (continued)

Q. Non-Major Enterprise Fund (Pension Obligation Bonds)

In November 2020, the City issued General Obligation Refunding Bonds, Taxable Series 2020B, of $76.9 million, with a premium of $0.2 million, stated interest rates ranging from 0.8% to 1.25%, and a final maturity of February 15, 2024. The bonds were issued to refund pension obligation bonds (Series 2010). Proceeds of $76.7 million were deposited with an escrow agent to be used to pay the outstanding principal amount of the refunded bonds. As a result, $75.8 million of these bonds are considered defeased and the liability for the refunded portion of these bonds has been removed from the financial statements. Total debt service payments decreased by $0.9 million as a result of the refunding. The City also incurred an economic gain (difference between the present value of the old debt and the new debt service payments) of $7.3 million. The refunding and the new bonds issued have been allocated to the City's governmental activities and the Dallas Water Utilities, Convention Center, Airport Revenues, Sanitation, and Nonmajor Enterprise Funds as shown in the table in Note 11B.

The non-major enterprise funds provide for the payment of principal and interest on a portion of Pension Obligation Bonds, which are paid through increased contributions to the Debt Service Fund. The bonds outstanding as of September 30, 2023 are as follows:

Series Description	Final Maturity	Interest Rates	Amount
Pension Obligation Bonds	2035	0.295% - 5.48%	$ 4,545

R. Business-Type Activities Debt Service Requirements

The debt service principal and interest payment requirement to maturity at September 30, 2023 for the business-type activities Revenue Bonds and Pension Obligation Bonds are as follows:

	Dallas Water Utilities					
	Revenue Bonds			Revenue Bonds-Direct Placements		
Fiscal Year	Principal	Interest	Total	Principal	Interest	Total
2024	$ 105,370	$ 86,411	$ 191,781	$ 14,010	$ 5,948	$ 19,958
2025	99,825	82,179	182,004	14,095	5,835	19,930
2026	89,630	78,235	167,865	14,195	5,712	19,907
2027	93,670	74,423	168,093	14,305	5,582	19,887
2028	97,520	70,558	168,078	14,420	5,445	19,865
2029-2033	471,990	294,588	766,578	74,025	24,901	98,926
2034-2038	496,805	193,560	690,365	78,295	20,055	98,350
2039-2043	378,420	107,767	486,187	84,225	13,497	97,722
2044-2048	253,095	41,235	294,330	91,700	5,432	97,132
2049-2053	89,825	6,640	96,465	24,515	300	24,815
Total	$ 2,176,150	$ 1,035,596	$ 3,211,746	$ 423,785	$ 92,707	$ 516,492

	Dallas Water Utilities		
	Pension Obligation Bonds		
Fiscal Year	Principal	Interest	Total
2024	$ 7,023	$ 516	$ 7,539
2025	1,514	6,909	8,423
2026	1,510	7,168	8,678
2027	1,509	7,436	8,945
2028	1,509	7,714	9,223
2029-2033	7,548	42,980	50,528
2034-2035	4,316	18,091	22,407
Total	$ 24,929	$ 90,814	$ 115,743

Note 11. Long-Term Debt (continued)

	Convention Center					
	Revenue Bonds			Pension Obligation Bonds		
Fiscal Year	Principal	Interest	Total	Principal	Interest	Total
2024	$ 10,430	$ 8,904	$ 19,334	$ 500	$ 37	$ 537
2025	10,955	8,382	19,337	96	493	589
2026	11,505	7,834	19,339	108	511	619
2027	12,080	7,259	19,339	108	531	639
2028	12,560	6,776	19,336	107	550	657
2029-2033	70,755	25,927	96,682	539	3,066	3,605
2034-2039	86,080	10,600	96,680	309	1,291	1,600
Total	$ 214,365	$ 75,682	$ 290,047	$ 1,767	$ 6,479	$ 8,246

	Airport Revenues					
	General Airport Revenue Bonds			Pension Obligation Bonds		
Fiscal Year	Principal	Interest	Total	Principal	Interest	Total
2024	$ 18,740	$ 20,134	$ 38,874	$ 658	$ 48	$ 706
2025	19,680	19,173	38,853	141	647	788
2026	20,660	18,165	38,825	142	672	814
2027	21,695	17,106	38,801	141	697	838
2028	22,780	15,994	38,774	141	723	864
2029-2033	140,780	60,409	201,189	707	4,028	4,735
2034-2039	145,840	22,880	168,720	404	1,695	2,099
2040-2041	44,405	2,710	47,115	-	-	-
Total	$ 434,580	$ 176,571	$ 611,151	$ 2,334	$ 8,510	$ 10,844

	Sanitation		
	Pension Obligation		
Fiscal Year	Principal	Interest	Total
2024	$ 2,296	$ 169	$ 2,465
2025	493	2,259	2,752
2026	494	2,343	2,837
2027	493	2,431	2,924
2028	493	2,522	3,015
2029-2033	2,468	14,051	16,519
2033-2035	1,411	5,914	7,325
Total	$ 8,148	$ 29,689	$ 37,837

Note 11. Long-Term Debt (continued)

Non-Major Enterprise Funds			
Pension Obligation Bonds			
Fiscal Year	Principal	Interest	Total
2024	$ 1,279	$ 1,265	$ 2,544
2025	263	1,310	1,573
2026	264	1,359	1,623
2027	265	1,410	1,675
2028	265	1,463	1,728
2029-2033	1,524	8,143	9,667
2034-Thereafter	685	1,586	2,271
Total	$ 4,545	$ 16,536	$ 21,081

S. Discretely Presented Component Unit Debt Service Requirements

The changes in the DDDA discretely presented component unit's long- term liabilities for the year ended September 30, 2023 are as follows:

	Balance, September 30, 2022	Additions	Deletions	Balance, September 30, 2023	Due Within One Year
Tax Increment Revenue Bonds					
Series 2006	$ 25,424	$ -	$ 2,374	$ 23,050	$ 2,443
Series 2007	21,655	-	875	20,780	645
Total Bonds	47,079	-	3,249	43,830	3,088
Accretion	38,134	3,586	3,815	37,905	-
Total Bonds	$ 85,213	$ 3,586	$ 7,064	$ 81,735	$ 3,088

The Dallas Convention Center Hotel Development Corporation (the Corporation), a discretely presented component unit of the City, issued revenue bonds in a prior fiscal year. The assets pledged as security for repayment of the bonds include the gross operating revenues of the hotel project, reimbursement for a portion of the interest from the Build America Bonds rebate, the State and Local Hotel Occupancy Tax Rebate, the State Sales Tax rebate, and other property, other than the land, the hotel project constructed on the land, and certain deposits. Events of default include nonpayment events and noncompliance with covenants. In the event of default, the trustee may accelerate principal and interest payments on the bonds, and/or take multiple legal actions, including but not limited to seeking a writ of mandamus to compel officials of the City to carry out their legally imposed duties with respect to the notes.

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Note 11. Long-Term Debt (continued)

The changes in the Dallas Convention Center Hotel Development Corporation discretely presented component unit's long-term liabilities for the year ended December 31, 2022 are as shown below:

	Balance, December 31, 2021	Additions	Deletions	Balance, December 31, 2022	Due Within One Year
2009A Current Interest Bonds	$ 34,715	$ -	$ 10,690	$ 24,025	$ 11,555
2009A Capital Appreciation Bonds	7,139	-	-	7,139	-
2009B Taxable Build America Bonds	388,175	-	-	388,175	-
Total Revenue Bonds	430,029	-	10,690	419,339	11,555
Add: Unamortized Premium	12	-	12	-	-
Less: Unamortized Discount	(49)	-	(25)	(24)	-
Add: Accretion on Capital Appreciation Bonds	8,364	1,006	-	9,370	-
Total Long-Term Debt	$ 438,356	$ 1,006	$ 10,677	$ 428,685	$ 11,555

The DDDA discretely presented component unit has issued tax increment bonds that are payable solely from the pledged tax increments of the zone. Events of default include nonpayment events and noncompliance with covenants. In the event of default, registered owners may seek a writ of mandamus to compel members of the board of the DDDA or other officers of the issuer to carry out their legally imposed duties with respect to the bonds.

The tax increment bonds outstanding as of September 30, 2023 are as follows:

Series Description	Final Maturity	Interest Rates	Amount
Series DDDA - Series 2006	2036	5.25% - 5.66%	$ 23,050
Series DDDA - Series 2007	2036	5.49% - 6.28%	20,780
Total Outstanding			$ 43,830

The Dallas Convention Center Hotel Development Corporation discretely presented component unit bonds outstanding as of December 31, 2022 are as follows:

Series Description	Final Maturity	Interest Rates	Amount
2009A Current Interest Bonds	2024	4.25% - 5.25%	$ 24,025
2009A Capital Appreciation Bonds	2026	5.43% - 6.46%	7,139
2009B Taxable Build America Bonds	2042	7.09%	388,175
Total Outstanding			$ 419,339

The debt service principal and interest payment requirement to maturity on September 30, 2023 for the DDDA discretely presented component unit activities tax increment financing bonds and at December 31, 2022 for the Dallas Convention Center Hotel Development Corporation bonds are as shown on the following page.

Note 11. Long-Term Debt (continued)

	DDDA			Calendar	Dallas Convention Center Hotel Development Corporation		
Fiscal Year	Principal	Interest	Total	Year	Principal	Interest	Total
2024	$ 3,088	$ 5,577	$ 8,665	2023	$ 11,555	$ 28,441	$ 39,996
2025	2,743	5,673	8,416	2024	12,470	27,826	40,296
2026	2,239	5,774	8,013	2025	5,132	35,786	40,918
2027	2,378	5,892	8,270	2026	10,052	30,892	40,944
2028	2,812	5,987	8,799	2027	14,400	26,433	40,833
2029-2033	18,204	30,134	48,338	2028-2032	87,760	114,850	202,610
2034-2036	12,366	17,339	29,705	2033-2037	119,115	78,404	197,519
Total	$ 43,830	$ 76,376	$ 120,206	2038-2042	158,855	29,413	188,268
				Total	$ 419,339	$ 372,045	$ 791,384

T. Bonds Authorized and Unissued

The following is a schedule of authorized but unissued bonds at September 30, 2023:

	Date of Authorization	Amount Authorized	Amount Unissued
2017 Capital Improvement Program	11/7/2017	$ 1,050,000	$ 134,798

U. Compliance with Debt Covenants

For the year ended September 30, 2023, management of the City believes that it was in compliance with all financial bond covenants on outstanding revenue and general obligation bonded debt.

V. Dallas Water Utilities Commercial Paper Notes (Direct Borrowing)

The commercial paper program constitutes an obligation subordinate to the Waterworks and Sewer System revenue bonds. Any advances made by credit providers for payments of commercial paper under the line of credit are secured by water and wastewater pledged revenues.

The commercial paper notes Series F, effective July 8, 2021, are supported by two liquidity agreements through two banks. The liquidity agreements supporting the Sub-Series F-1 and Sub-Series F-2 notes are through JPMorgan Chase Bank, N.A. and Bank of America N.A., and extend to July 8, 2024. The Sub-Series F-1 notes have an aggregate available principal amount not to exceed $241.6 million, which included $225 million of principal together with approximately $16.6 million of accrued interest for a maximum maturity date not to exceed 270 days at a rate of 10 percent per annum. The Sub-Series F-2 notes have an aggregate available principal amount not to exceed $80.5 million, which includes $75 million of principal together with approximately $5.5 million of accrued interest for a maximum maturity date not to exceed 270 days at a rate of 10 percent per annum.

The commercial paper notes Series G, effective July 8, 2021, are supported by a liquidity agreement with State Street Bank and Trust Company and extend to July 8, 2024. The Series G notes have an aggregate available principal amount not to exceed $322.2 million, which includes $300 million of principal together with approximately $22.2 million of accrued interest for a maximum maturity date not to exceed 270 days at a rate of 10 percent per annum.

Events of default include nonpayment of fees, incorrect or untrue statement made by the City the agreements, breach of covenant, unsatisfied judgements over $10 million, acceleration of other debt in an amount greater than $5 million, filing of bankruptcy, validity of agreement invalidated by any governmental authority, debt moratorium, bond ratings downgraded below Baa3/BBB-, material adverse effects as a result of State law repeal or any event of default as defined in Sub-Series F-1, Sub-Series F-2, and Series G credit agreements. The lender may seek a writ of mandamus to compel officials of the City to carry out their legally imposed duties with respect to the notes.

During fiscal year 2023, $147.6 million was issued and $178.8 was repaid. Upon maturity, the notes will be remarketed by the commercial paper dealers or extinguished with long-term debt. The City's unused line of credit on the notes was $543.4 million at September 30, 2023.

Note 11. Long-Term Debt (continued)

W. Love Field Airport Modernization Corporation Airport System Commercial Paper Notes (Direct Borrowing)

The commercial paper program constitutes an obligation subordinate to the General Airport Revenue Bonds. Any advances made by credit providers for payments of commercial paper under the line of credit are secured by the Corporation's pledged revenues.

The commercial paper notes, AMT Series are supported by a credit agreement with JPMorgan Chase Bank, N.A., and extends through December 18, 2023. The AMT Series notes have an aggregate available amount not to exceed approximately $161.1 million, which includes $150 million of principal together with approximately $11.1 million of accrued interest for a maximum maturity date not to exceed 270 days at a rate not to exceed 10 percent per annum. During fiscal year 2023, no commercial paper was issued, and $50 million was repaid. Upon maturity, the notes will be remarketed by the commercial paper dealers or extinguished with long-term debt. There were no commercial paper notes outstanding as of September 30, 2023.

Events of default include nonpayment of fees, incorrect or untrue statement made by the City the agreements, breach of covenant, unsatisfied judgements over $10 million, acceleration of other debt in an amount greater than $5 million, filing of bankruptcy, validity of agreement invalidated by any governmental authority, debt moratorium, bond ratings downgraded below BBB, Baa2, or BBB, or Fitch, Moody's, or S&P suspends or withdraws its rating of the same, material adverse effects as a result of State law repeal or any event of default as defined in the credit agreement. The lender may seek a writ of mandamus to compel officials of the City to carry out their legally imposed duties with respect to the notes.

X. Dallas Water Utilities Obligation for Water Transmission Facilities Financing Agreement (Direct Borrowing)

In previous years, the Tarrant Regional Water District (TRWD), a water control and improvement district and political subdivision of the State of Texas, issued Water Facilities Contract Revenue Bonds in January 2014 in the amount of $202.1 million in December 2015 in the amount of $140 million, in March 2021 in the amount of $254 million (2021 Series A), in March 2021 in the amount of $297.3 million for refunding Bond (2021 Series B), and in December 2022 in the amount of $255 million (2022 Series). The bonds were issued to finance the DWU share of costs for designing, acquiring, constructing, improving, repairing, rehabilitating, and or replacing water transmission facilities capable of delivering additional raw water supply to the customers of the DWU and TRWD for their respective customers (the Project). The Project is tentatively scheduled to be completed in 2027. The City's share of the total cost of the Project is estimated to be $1 billion. Upon completion of the Project, DWU will have reserved capacity rights in the amount of 150 million gallons per day. Depending on the timing of construction, additional bonds are expected to be issued throughout the construction period.

In order to ensure adequate funding from Dallas Water Utilities for the payment of principal and interest, the City entered into a separate funding agreement with TRWD, a Water Transmission Facilities Financing Agreement (the Agreement). Under this Agreement, the City is obligated to make payments to TRWD for the principal and interest amounts associated with the bonds. The Agreement establishes through State statutes that those payments will be treated as operating and maintenance expenses. The treatment of payments to TRWD as operating and maintenance expenses is only being applied to the Schedule of Revenue Bond Coverage for the Dallas Water Utilities and for purposes of establishing rates.

The Agreement establishes that TRWD shall own and operate the Project, subject to Dallas' reserve capacity rights in the Project. The bonds are a special obligation of TRWD. Principal and interest are secured by, and payable solely from, payments to be received by TRWD from the City to the extent required and provided in the Agreement. The bonds do not constitute a debt or pledge of the faith and credit of the City, and accordingly have not been reported in the accompanying financial statements.

At September 30, 2023, the TRWD Water Facilities Contract Revenue Bonds outstanding were $889 million.

The City has determined the obligation under the Agreement to be a liability to the extent that such obligations are for the payment of bonds issued to fund Dallas Water Utilities' share of costs for the Project. The City has capitalized the development of an intangible asset, Pipeline Reserve Capacity Rights, in Construction in Progress for the actual Project costs incurred by TRWD. The unspent proceeds held by TRWD for future construction costs have been recorded in Restricted Assets: Other Noncurrent Assets – Future Pipeline Reserve Capacity Rights. The interest rates for the obligation range from 0.45 percent to 6.0 percent. The obligation will be amortized over a period of 30 years. The balance of the obligation for the Agreement was $889 million at September 30, 2023.

Note 11. Long-Term Debt (continued)

The revenues and income received by the Dallas Water Utilities from the ownership and operation of the system are pledged as security for repayment of the obligation. Events of default include nonpayment events and covenant noncompliance. In the event of default, TRWD may apply the Texas post judgement interest rate to all amounts not paid when due, assess other interest and legal fees, enforce the rights of the holders of the underlying bonds, and/or suspend the use of by Dallas of its reserved capacity rights in the project.

The schedule of principal and interest payments required for the obligation is provided below:

Fiscal Year	Principal	Interest	Total
2024	$ 27,170	$ 33,486	$ 60,656
2025	27,840	23,113	50,953
2026	28,305	22,571	50,876
2027	28,905	21,992	50,897
2028	29,605	21,348	50,953
2029-2033	159,570	95,559	255,129
2034-2038	179,895	75,479	255,374
2039-2043	196,681	50,155	246,836
2044-2048	127,570	24,723	152,293
2049-2052	83,275	6,748	90,023
Total	$ 888,816	$ 375,174	$ 1,263,990

Note 12. Leases

A. As Lessor

The City leases some of its land and buildings, office space and airport hangars (disclosed separately under the "Business-Type Activities" section). Most leases have initial terms, but not greater than 66 years and may contain one or more renewals at the City's and lessor's option. The City has generally included these renewal periods in the lease term when it is reasonably certain that the City will exercise the renewal option. The City's lease arrangements do not contain any material residual value guarantees in the Governmental Activities but have a minimum annual guarantee for some lessees within the Business-Type Activities. The variable lease payments for Governmental Activities were immaterial and only the concessions within the Business-Type Activities are noted below. The City utilizes its incremental borrowing rate to discount the lease payments.

The Statement of Net position includes the following amounts relating to leases:

Governmental Activities Leases - City as Lessor for Fixed Payment Leases

As of September 30, 2023, the City's governmental activities leases receivable balance of $105,903 was comprised of the amounts below:

Various land leases with revenue totaling $2,429 during fiscal year 2023, at interest rates ranging from 0.67 to 3 percent, with remaining lease terms ranging from 14.25 to 65.25 years.	$ 104,259
Various building leases with revenue totaling $363 during fiscal year 2023, at interest rates ranging from 0.32 to 2.34 percent, with remaining lease terms ranging from .67 to 26.6 years.	1,644
Total lease receivable for governmental activities	$ 105,903

Note 12. Leases (continued)

The City expects to receive the following leases receivable amounts for Governmental Activities in subsequent years as follows:

Fiscal Year	Governmental Activities Principal	Governmental Activities Interest
2024	$ 1,750	$ 1,124
2025	1,723	1,092
2026	1,798	1,059
2027	1,851	1,025
2028	2,053	989
2029-2033	11,245	4,343
2034-2038	13,847	3,129
2039-2043	3,431	2,366
2044-2048	2,853	2,256
2049-2053	5,321	2,122
2054-2058	5,573	1,937
2059-2063	8,158	1,717
2064-2068	8,563	1,437
2069-2073	8,854	1,146
2074-2078	9,154	846
2079-2083	9,466	535
2084-2088	9,786	214
2089-Thereafter	477	23
Total	$ 105,903	$ 27,360

The balance of deferred inflows of resources related to the governmental activities lease payments receivable was $103,106 as of September 30, 2023. The total amount of inflows of resources relating to leases recognized in the current fiscal year are as follow:

Inflows of Resources	Governmental Activities
Lease Revenue	$ 3,351
Interest Revenue	1,127

Business-Type Activities Leases - City as Lessor for Fixed Payment Leases

As of September 30, 2023, the City's business-type activities leases receivable balance of $63,719 was comprised of the following:

Various land leases with revenue totaling $60 during fiscal year 2023, at interest rates ranging from 0.22 to 2.06 percent, with remaining lease terms ranging from .5 to 50.44 years.	$ 941
Various building leases with revenue totaling $15,042 during fiscal year 2023, at interest rates ranging from 0.57 to 2.06 percent, with remaining lease terms ranging from 2.09 to 34.11	62,778
Total lease receivable for business-type activities	$ 63,719

Note 12. Leases (continued)

The City expects to receive the following leases receivable amounts for business-type activities in subsequent years as follows:

	Dallas Water Utilities			Convention Center		
Fiscal Year	Principal	Interest	Total	Principal	Interest	Total
2024	$ 16	$ 4	$ 20	$ 3,074	$ 446	$ 3,520
2025	17	3	20	3,125	395	3,520
2026	17	3	20	3,176	343	3,519
2027	17	3	20	3,228	290	3,518
2028	17	2	19	3,281	236	3,517
2029-2033	92	8	100	10,777	495	11,272
2034-2038	59	1	60	1,610	201	1,811
2039-2043	-	-	-	1,343	72	1,415
2044-Thereafter	-	-	-	369	22	391
Total	$ 235	$ 24	$ 259	$ 29,983	$ 2,500	$ 32,483

	Airport Revenues			Total Business-Type Activities		
Fiscal Year	Principal	Interest	Total	Principal	Interest	Total
2024	$ 11,232	$ 267	$ 11,499	$ 14,322	$ 717	$ 15,039
2025	11,308	191	11,499	14,450	589	15,039
2026	3,697	133	3,830	6,890	479	7,369
2027	2,475	104	2,579	5,720	397	6,117
2028	415	87	502	3,713	325	4,038
2029-2033	1,393	363	1,756	12,262	866	13,128
2034-2038	583	270	853	2,252	472	2,724
2039-2043	473	222	695	1,816	294	2,110
2044-Thereafter	1,925	385	2,310	2,294	407	2,701
Total	$ 33,501	$ 2,022	$ 35,523	$ 63,719	$ 4,546	$ 68,265

The balance of the deferred inflows resources related to the business-type activities lease payments receivable was $66,411 as of September 30, 2023.

Deferred Inflows of Resources	Balance, September 30. 2023
Dallas Water Utilities	$ 232
Convention Center	32,930
Airport Revenues	33,249
Total	$ 66,411

Note 12. Leases (continued)

The total amount of inflows of resources relating to leases recognized in the current fiscal year are as follows:

Inflows of Resources	Dallas Water Utilities	Convention Center	Airport Revenues	Total Business-Type Activities
Lease Revenue	$ 18	$ 1,797	$ 11,284	$ 13,099
Interest Revenue	4	493	337	834

Business-Type Activities Variable Payment Leases

The City has some leases that have variable components, or contract terms that require tenants to pay the greater of either a monthly minimum rent or a percentage rent based on revenues generated by the lessee. Percentage rents and other variable payments in excess of the minimum guaranteed rent are not included in the measurement of the lease receivable. During fiscal year 2023, inflows of resources for percentage of variable rents totaled $5,549 and were comprised of the following:

Concession Categories	Inflows of Resources
Food & Beverage	$ 5,063
Misc. Concessions	486
	$ 5,549

Regulated Leases

The Airport Revenue Fund does not recognize a lease receivable and a deferred inflow of resources for regulated leases and deferred inflow of resources for regulated leases. Regulated leases are certain leases tsubject to external laws, regulations, or legal rulings, e.g., the U.S. Department of Transportation and the Federal Aviation Administration regulated aviation leases between airports, air carriers and other aeronautical users. Regulated leases include the Airline Lease Agreement and related airline leases, as well as contracts with fixed-base Operators (“FBOs”), General Aviation (GA), and fuel farms. These agreements are non-cancellable with remaining lease terms ranging from less than 2 years to 37 years and generally expire between 2024 and 2059, with options to extend or month-to-month, which shall be deemed to amend, restate and supersede airlines/existing leases as of the effective date hereof.

Under the agreements with Southwest Airlines, American Airlines, United, and Delta have exclusive and preferential use of certain space and facilities of the terminal and preferential use of certain apron areas. Regulated leases include but not limited to buildings, hangars, ticket areas, concourse areas, baggage areas, gate hold rooms, and aprons. The table below defines the use of space.

	Love Field Airport				
	American Airlines	United	Southwest	Delta	Total Love Field Airport
Ticket Areas	2,294 sq. ft.	2,100 sq. ft.	13,025 sq. ft.	346 sq. ft.	17,765 sq. ft.
Concourse Areas	2,755 sq. ft.	1,455 sq. ft.	68,968 sq. ft.	- sq. ft.	73,178 sq. ft.
Baggage Areas	7,888 sq. ft.	7,210 sq. ft.	46,235 sq. ft.	1,782 sq. ft.	63,115 sq. ft.
Gate Holdrooms	4,632 sq. ft.	5,998 sq. ft.	41,912 sq. ft.	- sq. ft.	52,542 sq. ft.
Aprons - leasable airline spaces	2	2	16	-	20

	Dallas Executive Airport and Love Field Airport (DEA)
	Total DEA
Regulated Areas	10,872,145 sq. ft.

Note 12. Leases (continued)

The future minimum rentals expected to be received from Love Field Airport and Dallas Executive Airport for the existing regulated leases as of September 30, 2023 are as follows:

Fiscal Year Ending September 30,	Minimum Rentals
2024	$ 69,896
2025	69,674
2026	69,455
2027	69,455
2028	69,455
2029-2033	48,384
2034-2038	60,484
2039-2043	40,771
2044 - Thereafter	117,020
Total minimum lease rentals	$ 614,594

B. As Lessee

The City has entered into various lease agreements as lessee primarily for land, building, and office space. Most leases have initial terms of up to five years and contain one or more renewal periods in the lease term at the City's option, generally for three-year or five-year periods. Generally, renewal periods have been included in the lease term when it is reasonably certain that the City will exercise the renewal option. The City's leases generally do not include termination options for either party to the lease or restrictive financial or other covenants. Certain real estate leases require additional payments for common area maintenance, real estate taxes, and insurance, which are expensed as incurred as variable lease payments. These variable lease payment amounts were immaterial. The City's lease arrangements do not contain any material residual value guarantees. As the interest rate implicit in the City's leases is not readily determinable, the City utilizes its incremental borrowing rate to discount the lease payments.

Governmental Activities Leases - City as Lessee

As of September 30, 2023, the City's governmental activities leases payable balance of $139,303 was comprised of the following:

Various land leases with principal and interest payments totaling $815 during fiscal year 2023, at interest rates ranging from 0.32 to 2.34 percent, with remaining lease terms ranging from 6 to 30.27 years.	$ 2,454
Various building leases with principal and interest payments totaling $3,131 during fiscal year 2023, at interest rates ranging from 0.25 to 2.89 percent, with remaining lease terms ranging from 1 to 102 years.	25,344
Various equipment leases with principal and interest payments totaling $12,516 during fiscal year 2023, at interest rates ranging from 0.32 to 2.65 percent, with remaining lease terms ranging from 4.6 to 9.21 years.	111,505
Total leases payable for governmental activities	$ 139,303

Note 12. Leases (continued)

Fiscal Year	Governmental Activities Principal	Governmental Activities Interest
2024	$ 14,386	$ 3,183
2025	13,715	3,048
2026	13,449	2,567
2027	12,751	2,253
2028	13,310	1,814
2029-2033	55,562	4,481
2034-2038	377	1,866
2039-2043	362	1,826
2044-2048	406	1,783
2049-2053	456	1,732
2054-2058	452	1,679
2059-2063	504	1,624
2064-2068	566	1,562
2069-2073	635	1,493
2074-2078	713	1,415
2079-2083	800	1,328
2084-2088	899	1,229
2089-2093	1,009	1,119
2094-2098	1,132	996
2099-2103	1,271	857
2104-2108	1,427	701
2109-2113	1,602	526
2114-2118	1,799	329
2119-2123	1,720	195
Total	$ 139,303	$ 39,606

Business-Type Activities Leases - City as Lessee

As of September 30, 2023, the City's business-type activities leases payable balance of $74,662 was comprised of the following:

Various land leases with expenditure totaling $4,742 during fiscal year 2023, at interest rates ranging from 1.12 to 2.06 percent, with remaining lease terms ranging from 6.75 to 23.1 years.	$ 59,455
Various building leases with expenditure totaling $2,209 during fiscal year 2023, at interest rates ranging from 0.07 to 5.65 percent, with remaining lease terms ranging from 1.17 to 23.10 years.	15,207
	$ 74,662

The annual payment requirements to amortize the long-term leases payable for the business-type activities as of September 30, 2023, including principal and interest payments to maturity are shown on the following page.

Note 12. Leases (continued)

Fiscal Year	Dallas Water Utilities Principal	Dallas Water Utilities Interest	Dallas Water Utilities Total	Airport Revenues Principal	Airport Revenues Interest	Airport Revenues Total
2024	$ 593	$ 58	$ 651	$ 1,779	$ 3,736	$ 5,515
2025	607	44	651	1,870	3,646	5,516
2026	621	31	652	1,988	3,550	5,538
2027	635	16	651	2,097	3,448	5,545
2028	377	3	380	2,205	3,340	5,545
2029-2033	-	-	-	12,247	14,876	27,123
2034-2038	-	-	-	14,679	11,239	25,918
2039-2043	-	-	-	19,457	6,460	25,917
2044-Thereafter	-	-	-	12,520	1,021	13,541
Total	$ 2,833	$ 152	$ 2,985	$ 68,842	$ 51,316	$ 120,158

	Nonmajor Enterprise Funds					
	Municipal Radio			Building Inspection		
Fiscal Year	Principal	Interest	Total	Principal	Interest	Total
2024	$ 163	$ 15	$ 178	$ 391	$ 22	$ 413
2025	172	13	185	302	18	320
2026	181	10	191	235	14	249
2027	189	8	197	202	11	213
2028	199	6	205	210	8	218
2029-2033	372	4	376	371	5	376
2034-2038	-	-	-	-	-	-
2039-2043	-	-	-	-	-	-
2044-Thereafter	-	-	-	-	-	-
Total	$ 1,276	$ 56	$ 1,332	$ 1,711	$ 78	$ 1,789

	Total Business-Type Activities		
Fiscal Year	Principal	Interest	Total
2024	$ 2,926	$ 3,831	$ 6,757
2025	2,951	3,721	6,672
2026	3,025	3,605	6,630
2027	3,123	3,483	6,606
2028	2,991	3,357	6,348
2029-2033	12,990	14,885	27,875
2034-2038	14,679	11,239	25,918
2039-2043	19,457	6,460	25,917
2044-Thereafter	12,520	1,021	13,541
Total	$ 74,662	$ 51,602	$ 126,264

Note 13. Public-Private Partnerships (PPP)

The City's Convention Center enterprise fund has entered into two public-private partnership agreements in which the operators will operate and maintain the City's assets while providing a public use. The agreements that are currently active extend through November 30, 2024. At the end of the agreements, operations will be transferred back to the City. The payments made by the operators to the City are variable and based on a percentage of revenue collected during the period. The amount of inflows of resources recognized by the City for the fiscal year ended September 30, 2023 was $28.1 million.

Note 14. Subscription-Based Information Technology Arrangements (SBITA)

The City is obligated under contracts covering certain subscription-based information technology arrangements (SBITA) that expire at various dates during the next 6 years. Most SBITA contracts have initial terms of up to five years and contain one or more renewal options. The City generally includes these renewal periods in the subscription term when it is reasonably certain that the City will exercise the renewal option and the contract is not deemed cancellable. The City's SBITA contracts do not contain any material variable payments not previously included in the measurement of the subscription liability. As the interest rate implicit in the City's agreements are not readily determinable, the City utilizes its incremental borrowing rate to discount the SBITA payments to the present value.

As of September 30, 2023, the SBITA payable for governmental activities and business-type activities totaled $26,705 and $4,087, respectively.

SBITA Payable	Interest Rates	Remaining Term	Principal and Interest Payments 9/30/2023
Governmental Activities	2.6 to 3.12	.08 to 4.59 years	14,336
Business-Type Activities	2.29 to 3.12	225 to 6.65 years	1,367
Total			$ 15,703

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Note 14. Subscription -Based Information Technology Arrangements (SBITA) (continued)

The City expects to pay the following amounts in future years for SBITAs included in the Governmental Activities:

Fiscal Year	Internal Service Funds Principal	Internal Service Funds Interest
2024	$ 5,139	$ 404
2025	6,617	227
2026	4,471	97
2027	2,587	27
Total	$ 18,814	$ 755

Fiscal Year	Other Governmental Activities Principal	Other Governmental Activities Interest
2024	$ 3,569	$ 134
2025	1,532	81
2026	1,466	42
2027	1,324	8
Total	$ 7,891	$ 265

Fiscal Year	Total Governmental Activities Principal	Total Governmental Activities Interest
2024	$ 8,708	$ 538
2025	8,149	308
2026	5,937	139
2027	3,911	35
Total	$ 26,705	$ 1,020

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Note 14. Subscription -Based Information Technology Arrangements (SBITA) (continued)

The City expects to pay the following amounts in future years for SBITAs included in the Business-Type Activities:

	Dallas Water Utilities		
Fiscal Year	Principal	Interest	Total
2024	$ 941	$ 50	$ 991
2025	1,043	26	1,069
2026	432	6	438
2027	221	1	222
2028	-	-	-
2029-2033	-	-	-
Total	$ 2,637	$ 83	$ 2,720

	Airport Revenues		
Fiscal Year	Principal	Interest	Total
2024	$ 64	$ 11	$ 75
2025	66	10	76
2026	68	8	76
2027	70	6	76
2028	72	4	76
2029-2033	149	2	151
Total	$ 489	$ 41	$ 530

	Sanitation		
Fiscal Year	Principal	Interest	Total
2024	$ 377	$ 21	$ 398
2025	387	11	398
2026	197	2	199
2027	-	-	-
2028	-	-	-
2029-2033	-	-	-
Total	$ 961	$ 34	$ 995

	Total Business-Type Activities		
Fiscal Year	Principal	Interest	Total
2024	$ 1,382	$ 82	$ 1,464
2025	1,496	47	1,543
2026	697	16	713
2027	291	7	298
2028	72	4	76
2029-2033	149	2	151
Total	$ 4,087	$ 158	$ 4,245

Governmental Type Activites Variable Payment SBITA

Certain SBITA items require the City to make variable SBITA payments that are based on usage, these amounts are generally determined annually. The amount recognized as expense for variable SBITA payments not in the measurement of the SBITA liability for governmental activities totaled $1,754, during the year ended September 30, 2023.

Note 15. Defeasance of Debt

In current and prior years, the City legally defeased certain outstanding general obligation and enterprise revenue bonds by placing the proceeds of new bonds in irrevocable trusts to provide for all future debt service payments of the refunded bonds. Accordingly, the trust accounts and the defeased bonds are not included in the City's basic financial statements.

As of September 30, 2023, the City had a total of $305 million defeased outstanding general obligation bonds, $933.2 million defeased outstanding water and sewer revenue bonds, and $240.2 million defeased convention center refunding and improvement bonds. The bonds defeased during the fiscal year are as follows:

	Balance, September 30, 2022	Additions	Deletions	Balance, September 30, 2023
General Obligation Bonds	$ 350,695	$ 61,410	$ 107,070	$ 305,035
Water and Sewer Revenue Bonds	994,018	-	60,825	933,193
Convention Center Refunding and Improvement Bonds	260,830	-	20,560	240,270
Total	$ 1,605,543	$ 61,410	$ 188,455	$ 1,478,498

Note 16. Risk Management – Estimated Claims and Judgments Payable

The City is self-insured for all third-party general liability claims. Claims adjusting services are provided by the City's internal staff. Interfund premiums are based primarily upon the insured funds' claims experience and exposure and are reported as cost reimbursement interfund transactions. The liability for unpaid claims includes the effects of specific incremental claims, adjustment expenses, and, if probable and material, salvage, and subrogation.

All known City property, primarily buildings and contents, is insured through commercial insurance policies, subject to a $750 thousand deductible per loss occurrence. The amount of settlements have not exceeded the deductible loss per occurrence during the fiscal year ended September 30 2023; however, the City did receive an advance payment greater than the deductible amount for a claim that has yet to settle.

The City is self-insured for workers' compensation claims. Effective February 1, 2020, the City is insured for workers' compensation losses in excess of $2.5 million per occurrence. Claims adjusting services are provided by an independent "administrative services" contractor. Workers' compensation premiums are based primarily upon the insured funds' claims experience and exposure and are reported as cost reimbursement interfund transactions.

All workers' compensation losses are accumulated in a clearing fund which is being reimbursed by the premiums collected. When losses exceed premiums, the deficiencies are prorated and supplemented by the various applicable funds. Accrued workers' compensation liability consists of incurred but not reported as well as unpaid reported claims of which $59.7 million at September 30, 2023, is recorded in the risk funds. Of this amount, $9 million is estimated to be payable in the next fiscal year.

The City maintains a group health insurance plan for employees and dependents which is self-insured by the City. The City also offers enrollment in one health maintenance organization as an alternative. Premiums are determined based on the annual budget. The City also maintains a group life insurance plan which offers term-life and accidental death and dismemberment for employees and dependents. The City is fully insured for employee term-life. Health claims and claims incurred but not reported that are probable and can be reasonably estimated are accrued in the accompanying basic financial statements at September 30, 2023, in the amount of $11.5 million in the risk funds.

At September 30, 2023, the City estimates its general liability at $69.5 million, of which $61.9 million is estimated to be payable in the next fiscal year. The general liability includes $10.4 million for automobile and general liability and $59.1 million for probable claims and lawsuits.

Changes in the balances of claims liabilities during the past fiscal year are as follows:

	Workers' Compensation		Health		General Liability	
	2023	2022	2023	2022	2023	2022
Unpaid claims, beginning of year	$ 54,738	$ 43,115	$ 9,882	$ 8,960	$ 62,190	$ 56,306
Incurred claims, including incurred but not reported claims (IBNRs) and changes in estimates	12,744	12,320	119,093	108,493	14,770	7,334
Claim payments	(12,096)	(13,055)	(131,679)	(117,435)	(5,528)	(4,744)
Changes to prior year estimates (IBNR)	4,360	12,358	14,234	9,864	(1,929)	3,294
Unpaid claims, end of year	$ 59,746	$ 54,738	$ 11,530	$ 9,882	$ 69,503	$ 62,190

Note 17. Accrued Landfill Liability

The City owns and operates the McCommas Bluff landfill located in the southern portion of the City. The developed 449.9 acres of the landfill has an estimated remaining useful life of 1 year. The undeveloped 493.2 acres of the landfill has an estimated useful life of 23 years. Closure and post-closure care of this landfill is subject to the requirements of Subtitle D of the Resource Conservation and Recovery Act (P.L. 94-580) and Sections 330.250-256 of Title 30 of the Texas Administrative Code administered by the Texas Commission on Environmental Quality (TCEQ). These regulations require the City to place a final cover on each cell of the landfill when it ceases to accept waste, and perform certain maintenance and monitoring functions for thirty years after the closure of each cell.

Because final contours have not been achieved, the City has not yet initiated closure of any of this landfill or incurred closure expenses. Therefore, the estimated $48.6 million liability for closure/post-closure care is based on 96.8 percent of the capacity of the developed landfill subject to TCEQ regulations--none of which is expected to be paid from current available resources.

The City also owns and operates three transfer stations. The estimated post closure cost is $295 thousand for the transfer stations at September 30, 2023.

The estimated total liability of $50.2 million is based on current dollar average cost per acre calculations for this specific landfill as originally provided by consulting firms and has been revised annually by the City to accommodate inflation, deflation, technology, and developmental or regulation changes. In accordance with the provisions of Codification of Governmental Accounting and Financial Reporting Standards, Section L10, “Landfill Closure and Post Closure Care Costs,” the City has recorded a closure and post-closure liability of $48.9 million as a long-term liability. Closure and post-closure care are funded through current Sanitation Fund revenues generated by landfill operations. Effective April 9, 1997, Sections 330.280-284 of Title 30 of the Texas Administrative Code (TAC) require landfill owners to demonstrate financial assurance on an annual basis that they will have sufficient financial resources to satisfy closure and post-closure care expenditures at such time as these become payable.

The City also owns the Deepwood & Loop 12 landfill located at South Miller Road, southwest of Loop 12. This landfill is closed. The estimated total liability for post closure care costs for the entire 47 acres of the closed landfill (132 acres of the Landfill Property) is estimated to be $4.6 million during the next 13 years, of which $359 thousand is due within one year.

The total closure and post-closure liability for both landfills and the three transfer stations at September 30, 2023 is $53.5 million.

Note 18. Pollution Remediation

The City is responsible for following all applicable environmental rules when managing sites with environmental clean-up or management requirements. The Texas Commission on Environmental Quality (TCEQ) is the State regulatory agency that regulates all projects being reported. The method used to calculate the liability is the current value of outlays to remediate the properties – the amount that would be paid if all equipment, facilities, and services included in the estimate were acquired during the current period. The liability is an estimate and is subject to revision because of price increases or reductions, changes in technology, or changes in applicable laws or regulations. As of September 30, 2023, the total environmental remediation liability is $3.3 million, and the current portion of this liability is $3.3 million. At this time, the City is unable to estimate any recoveries to reduce the liability.

Eighteen sites are regulated by the Texas Risk Reduction Program, Texas Administrative Code (TAC) Ch. 350. During the reporting period, the City began remediation activities at one new site. The total estimated cost is $2.5 million, and the current portion of this liability is $2.5 million.

Five sites are also regulated by the Texas Risk Reduction Program, TAC Ch. 350 and Texas Asbestos Health Protection Rules. During the reporting period, the City began remediation activities at three new sites. The total estimated cost is $363 thousand, and the current portion of this liability is $363 thousand.

One leaking petroleum storage tank sites are managed by environmental corrective activities in compliance with the rule for Underground and Aboveground Storage Tanks, TAC Ch 334. During the reporting period, the City completed remediation activities at one new site. No additional estimated costs are expected for this project.

Two sites are also managed by testing and removal of asbestos in compliance with Texas Asbestos Health Protection Rules, TAC Ch 295 Occupational Safety. The total estimated cost is $21 thousand, and the current portion of this liability is $21 thousand.

Note 18. Pollution Remediation (continued)

One site is also managed by testing and removal of asbestos in compliance with Texas Asbestos Health Protection Rules, TAC Ch 295 Occupational Safety and Mold rule. During the reporting period, the City completed remediation activities at one new site. No additional estimated costs are expected for this project.

Three sites are also managed by testing and removal of asbestos in compliance with Texas Asbestos Health Protection Rules, TAC Ch 295 Occupational Safety and Health Administration (OSHA) Lead Exposure Rules 29 Code of Federal Regulations (CFR) 1926.62. During the reporting period, the City completed remediation activities at two site. The total estimated cost is $1 thousand, and the current portion of this liability is $1 thousand.

A former shingle recycling site is regulated by the Texas Municipal Waste Rules, TAC Ch 330. Through a judgment, the City has taken responsibility to remove shingle debris from a private property and transfer the shingles and associated waste to McCommas Bluff Landfill (MBLF). Shingles were removed and transferred to MBLF, soil with shingles disposed of at MBLF, and a Phase I and II Environmental Site Assessment (ESA) completed. The City acquired the property in July 2021, completed supplemental assessment, and entered the TCEQ Voluntary Cleanup Program (VCP) in September 2022, and the APAR was initiated. During the reporting period, invoices for previous services were processed, the APAR was completed and submitted to TCEQ, correspondence with TCEQ, completion of the Response Action Plan (RAP), completion of remediation including removal of all impacted soil and fill material, confirmation sampling, and disposal at MBLF, site management, and completion of reports documenting activities. Remediation was started and completed faster than originally anticipated. Activities expected to be completed in the current period include continued site management, correspondence with TCEQ, and obtaining a certificate of completion from TCEQ. The cost to complete closeout of environmental will be below the $2 million in the Risk Fund set aside for remediation to closeout environmental with TCEQ. The estimated cost for this project is $481 thousand and $481 thousand liability expected to be paid in fiscal year 2024.

The City's pollution remediation for the year ended September 30, 2023 are as follows:

Sites regulated by	Balance, September 30, 2022	Additions	Deletions	Balance, September 30, 2023	Due Within One Year
Governmental Activities:					
Texas Risk Reduction Program	$ 1,786	$ 1,450	$ 941	$ 2,295	$ 2,295
Texas Risk Reduction Program and Texas Asbestos Health Protection Rules	-	383	284	99	99
Texas Asbestos Health Protection Rules	169	88	236	21	21
Texas Asbestos Health Protection Rules and Mold Rules	10	51	62	-	-
Texas Asbestos Health Protection Rules and OSHA Lead Exposure Rules	388	-	387	1	1
Total Governmental Activities	2,353	1,972	1,910	2,416	2,416
Business-type Activities					
Convention Center					
Texas Risk Reduction Program	63	106	63	106	106
Airport Revenues					
Texas Risk Reduction Program	26	107	60	73	47
Underground and Aboveground Storage Tanks	18	1	19	-	-
Dallas Water Utilities					
Texas Risk Reduction Program and Texas Asbestos Health Protection Rules	-	502	237	265	265
Sanitation					
Texas Municipal Waste Rules	2,048	-	1,567	481	481
Total Business-type Activities	2,155	716	1,946	925	899
Total Pollution Remediation	$ 4,508	$ 2,688	$ 3,856	$ 3,341	$ 3,315

Note 19. Pension Plans

A. Plan Descriptions

The City participates in funding three single employer, contributory, defined benefit employee pension plans. Membership is a condition of employment for all full-time, permanent employees. The activities of the entities as of December 31, 2022, are reported in the City's Pension Trust Funds. Descriptions of each plan are as follows:

Employees' Retirement Fund (ERF): The legal authority for this plan is Chapter 40A of the Dallas City Code. The fund is for the benefit of all eligible employees of the City, excluding firefighters and police officers. The fund is administered by a seven-member board of trustees consisting of three persons appointed by the City Council who may be council members, three employees from different departments of the City who are elected by members of the retirement fund and who are members of the retirement fund, and the City Auditor. The ERF issues a stand-alone financial report which is available at: www.dallaserf.org/publications-resources.

Dallas Police and Fire Pension System Combined Plan (Combined Plan): The legal authority for the Combined Plan is Article 6243a-1 of the Revised Civil Statutes of Texas. In 2017, changes to the plan were implemented by the passing of HB 3158. The Combined Plan is a retirement fund for police officers and firefighters employed by the City of Dallas. The system is administered by an eleven member board of trustees of the Dallas Police and Fire Pension System (DPFP System) composed of one elected from active members of the police department, one elected from active members of the fire rescue department, three elected by the nominations committee, and six appointed by the Mayor in consultation with city council. It is comprised of a single defined benefit pension plan designed to provide retirement, death, and disability benefits for firefighters and police officers (members). All active, eligible police officers and firefighters employed by the City are required to participate. The DPFP System issues a stand-alone financial report which is available at: www.dpfp.org/-Financial-/Financial-Reports.

Supplemental Police and Fire Pension Plan of the City of Dallas (Supplemental Plan): The legal authority for the Supplemental Plan is Subsection 35 of Chapter II of the Charter of the City of Dallas and Ordinance 14084 of 1973. The plan is administered by the board of trustees for the DPFP System. This plan includes officials in the Fire and Police Departments who hold rank higher than the highest corresponding Civil Service rank available as a result of competitive examination and who have elected participation. The Supplemental Plan issues a stand-alone financial report which is available at: www.dpfp.org/-Financial-/Financial-Reports.

B. Benefits provided

ERF: ERF provides retirement, disability, and death benefits to its members in accordance with Chapter 40A of the Dallas City Code. All employees of the City are members except police officers, firefighters, elected officers, non-salaried appointee members of boards or commissions, part-time employees working less than one-half time, temporary employees, individuals working under contract, and individuals whose salaries are paid in part by another government agency. The plan consists of Tier A and Tier B members.

Members hired prior to January 1, 2017 (Tier A) have vested rights to retirement benefits after five years of service or to survivor benefits after two years of service. Benefits are based on credited service and the average monthly earnings for the three highest paid calendar years. Members of the Tier A are entitled to normal retirement pension at age 60; early retirement pension at age 55 if employed prior to May 9, 1972, or age 50 and age plus years of service total 78; service retirement pension at any age after 30 years of credited service and disability retirement pension as determined by the board of trustees. Cost of living adjustments for retirees are made each year on January 1 by adjusting the pension base by the percentage change of the consumer price index, not to exceed 5 percent.

Members hired after December 31, 2016 (Tier B) have vested rights to retirement benefits after five years of service or to survivor benefits after two years of service. Benefits are based on credited service and the average monthly earnings for the five highest paid calendar years. Members of Tier B are entitled to normal retirement pension at age 65; early retirement pension with a reduced benefit prior to age 65 and age plus years of service total 80 and; service retirement pension at any age after 40 years of credited service and disability retirement pension as determined by the board of trustees. Cost of living adjustments for retirees are made each year on January 1 by adjusting the pension base by the percentage change of the consumer price index, not to exceed 3 percent.

Amendments to Chapter 40A of the Dallas City Code, other than provisions required to comply with federal law, may only be made by a proposal initiated by either the board of trustees of the ERF or the City Council which results in an ordinance approved by the board, adopted by the City Council, and approved by a majority of the voters voting at a general or special election.

Note 19. Pension Plans (continued)

Combined Plan: The Combined Plan provides comprehensive retirement, disability, and survivor benefits for the City's police officers, firefighters and their beneficiaries as authorized through Article 6243a-1 of the Revised Civil Statutes of Texas. The Combined Plan consists of Group A and Group B membership. No member elected contribution under Group A.

Under Group A, members may elect to receive one of two benefit structures (Options 1 and 2):

- Option 1 entitles members with 20 years or more of pension service to normal monthly pension benefits beginning at age 50 equal to 50 percent of the base pay as defined as the maximum monthly civil service pay established by the City at the time of retirement plus 50 percent of the longevity pay the member was receiving at the time he or she left active service with the City or the effective date the member joined the Deferred Retirement Option Plan (DROP). Benefit payments are adjusted annually according to changes in active service base pay, if any. Additionally, a member is eligible to receive 50 percent of the difference between any annualized City service incentive pay granted to the member less annual longevity pay.
- Option 2 entitles members with 20 years or more of pension service to normal monthly pension benefits beginning at age 55 equal to 3 percent of the base pay computed, as noted in Option 1, for each year of pension service with a maximum of 32 years. In addition, a member receives 50 percent of the longevity pay and 1/24 of any City service incentive pay the member was receiving at the time he or she left active service with the City or the effective date the member joined DROP. Prior to September 1, 2017, pension benefit payments increased annually on October 1st by 4 percent of the initial benefit amount. After September 1, 2017, pension benefit payments are eligible for an ad hoc cost of living increase as approved by the Board, if certain funding requirement are met.

Under Group B, members receive one of two benefit structures:

- Members who began membership before March 1, 2011 with 5 or more years of pension service are entitled to monthly pension benefits beginning at age 50 equal to 3% of the member's average base pay plus education and longevity pay (Computation Pay) determined over the highest 36 consecutive months of Computation Pay, multiplied by the number of years of pension service prior to September 1, 2017. The monthly pension benefit for service earned after September 1, 2017 is based on the highest 60 consecutive months of Computation Pay multiplied by a 2.5% multiplier at age 58. The multiplier is reduced to between 2.0% and 2.4% for retirement beginning at age 53 and prior to age 58. The member cannot accrue a monthly pension benefit that exceeds 90% of the member's average Computation Pay. Certain members may receive a 2.5% multiplier for pension service after September 1, 2017 prior to age 58 if the combination of their pre and post September 1, 2017 pension service calculations using the 2.5% multiplier for post September 1, 2017 meets or exceeds the 90% maximum benefit. Certain members who meet the service prerequisite or were 45 prior to September 1, 2017 may elect to take early retirement with reduced benefits starting at age 45, or earlier if the member has 20 years of pension service.
- Members who began membership after February 28, 2011 are entitled to monthly pension benefits after accruing 5 years of pension service and the attainment of age 58. Pension benefits are equal to the member's average Computation Pay determined over the highest 60 consecutive months of Computation Pay, multiplied by 2.5% for the number of years of pension service. The member cannot accrue a monthly pension benefit that exceeds 90% of the member's average Computation Pay. Certain members who meet the service prerequisite may elect to take early retirement with reduced benefits starting at age 53.

Members who are eligible to retire are allowed to enter the DROP program. The member's monthly benefit remains in a DROP account which does not accumulate interest. Upon retirement from the City, the member is able to withdraw annuitized benefits from their DROP account; however, under certain circumstances, members may be eligible to withdraw a lump sum amount. The total DROP balance was $943.9 million on December 31, 2022.

The Combined Plan documents may be amended only by the Texas State legislature.

Note 19. Pension Plans (continued)

Supplemental Plan: The Supplemental Plan provides benefits designed to supplement Combined Plan Group B benefits for members holding a rank higher than the highest corresponding civil service rank because their Combined Plan benefits are capped by the definition of "considered compensation." Benefits provided by the Supplemental Plan were approved by the Dallas City Council through passage of City Ordinance 14084 of 1973 as authorized in City Charter Chapter II, Subsection 35. Employees with five or more years of service are entitled to annual pension benefits beginning at normal retirement age 50. Members receive a supplemental pension based upon the difference between compensation for the civil service position held before entrance into the Supplemental Plan and compensation while participating in the Supplemental Plan. The formula used to determine the member's Combined Plan Group B benefit is also used to determine the member's benefit under the Supplemental Plan; therefore, the same length of time is used to determine the average computation pay for both the Combined Plan and the Supplemental Plan, as well as provisions for the application for benefits.

Members who are eligible to retire are allowed to enter the DROP program. The member's monthly benefit remains in a DROP account which does not accumulate interest. Upon retirement from the City, the member is able to withdraw annuitized benefits from their DROP account; however, under certain circumstances, members may be eligible to withdraw a lump sum amount. The total DROP balance was $6 million at December 31, 2022.

The Supplemental Plan document can be amended only by the City Council in accordance with City ordinance.

C. Employees covered by benefit terms

At December 31, 2022, the following numbers of employees were covered by the benefit terms:

	ERF	Combined Plan	Supplemental Plan
Retirees and beneficiaries currently receiving benefits	7,766	5,289	151
Inactive members entitled to benefits but not yet receiving them	2,192	252	1
Current members	7,464	5,085	52
Total	17,422	10,626	204

D. Contributions

ERF: Chapter 40A of the Dallas City Code establishes contribution requirements. Changes to the contribution formula may only be made by a proposal initiated by either the board of trustees of the ERF or the City Council which results in an ordinance approved by the board, adopted by the City Council, and approved by a majority of the voters voting at a general or special election.

The City contributes 63 percent of the required contribution and the membership contributes 37 percent. The City's contribution rate covers both the debt service tied to the pension obligation bonds and the contributions to the Employees' Retirement Fund. Although the total contribution is actuarially determined each year, it is adjusted based on the following requirements of Chapter 40A: (1) the maximum contribution percentage of covered wages is 36 percent; (2) the maximum increase or decrease from one year to the next is 10 percent; and (3) the contribution rate changes only if the actuarial valuation develops a rate which differs from the prior rate by more than 300 basis points. The adjusted contribution as a result of Chapter 40A is the Current Adjusted Total Obligation Rate (CATOR). Contribution rates are 13.32 percent of covered wages for employees and 22.68 percent for the City for the City's fiscal year ended September 30, 2023. The City's contribution of 22.68 percent is divided into 14.12 percent cash to the Plan and 8.56 percent for debt service payments on the pension obligation bonds. For fiscal year 2023, the City contribution was $69 million.

Combined Plan: Article 6243a-1 of the Revised Civil Statutes of the State of Texas establishes contribution requirements. The amount of the contribution percentage may be determined only by the State Legislature or by a majority vote of the voters of the City of Dallas.

Prior to September 6, 2017, the City made statutorily required contributions of 27.5 percent of total wages and salaries as defined in the Combined Plan document and Article 6243a-1. After September 1, 2017, the City contributes 34.5 percent of computation pay, with a floor for seven years, plus $13 million per year until 2024. No member elected contribution under Group A. Group B members are required to contribute 13.5 percent of their computation pay. For fiscal year 2023, the City contribution was $172 million.

Note 19. Pension Plans (continued)

Supplemental Plan: Ordinance 14084 of 1973 establishes contribution requirements. Changes to the contribution amounts or percentages may be made by City Council ordinance.

Members of the Supplemental Plan contribute 13.5 percent of their pay that is applicable to the Supplemental Plan. The City makes an annual contribution to the Supplemental Plan based on the results of an actuarial study. For fiscal year 2023, the City contribution was $3.7 million.

E. Net Pension Liability

The City's net pension liability was measured as of December 31, 2022. The total pension liability used to calculate the net pension liability was determined by actuarial valuations as of that date.

F. Actuarial Assumptions

The total pension liabilities in the December 31, 2022 actuarial valuations were determined using the following actuarial assumptions for each of the plans, applied to all periods included in the measurement:

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Note 19. Pension Plans (continued)

	ERF	Combined Plan	Supplemental Plan
Inflation	2.50%	2.50%	2.50%
Salary Increases	3.0% to 8.25%, including inflation	2.5% to 7.25%, including inflation	2.5% to 7.25%, including inflation
Investment Rate of Return	7.25%	6.50%	6.50%
Mortality	**For actives:** Pub-2010 Mortality Table for General Employees projected using Scale UMP (Ultimate MP-2019). **For healthy retirees:** 2019 Texas Municipal Retirees Mortality Table projected using Scale UMP (Ultimate MP-2019). **For all disabled lives:** 2019 Texas Municipal Retirees Mortality Table, set forward four years for males and three years for females, using Scale UMP (Ultimate MP-2019).	**For actives:** Pub-2010 Public Safety Employee Amount-Weighted Mortality Table, set forward five years for males, projected generationally using Scale MP-2019. **For healthy retirees:** Pub-2010 Public Safety Retiree Amount-Weighted Mortality Table, set back one year for females, projected generationally using Scale MP-2019. **For all disabled lives:** Pub-2010 Public Safety Disabled Retiree Amount-Weighted Mortality Table, set forward four years for both males and females, projected generationally using Scale MP-2019.	**For actives:** Pub-2010 Public Safety Employee Amount-Weighted Mortality Table, set forward five years for males, projected generationally using Scale MP-2019. **For healthy retirees:** Pub-2010 Public Safety Retiree Amount-Weighted Mortality Table, set back one year for females, projected generationally using Scale MP-2019. **For all disabled lives:** Pub-2010 Public Safety Disabled Retiree Amount-Weighted Mortality Table, set forward four years for both males and females, projected generationally using Scale MP-2019.
Cost of Living Adjustments	The percentage of change in the price index for October of the current year over October of the previous year, or the percentage of annual average change in the price index for the 12-month period ending with the effective date of the adjustment. The maximimum COLA for Tier A retirees is 5%, and the maximum for Tier B retirees is 3%.	Ad hoc granted by the Board when the Combined Plan is 70 percent funded after accounting for the COLA. 1.5% of original benefit, beginning October 1, 2073.	Ad hoc granted by the Board when the Combined Plan is 70 percent funded after accounting for the COLA. 1.5% of original benefit, beginning October 1, 2073.
Long-term expected rate of return	Estimated using a building block methodology in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real return rates by the target asset allocation percentage and by adding expected inflation.	Estimated using a building block methodology in which best-estimate ranges of expected future real rates of return (expected returns net of pension plan investment expense) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real return rates by the target asset allocation percentage and by adding expected inflation.	Estimated using a building block methodology in which best-estimate ranges of expected future real rates of return (expected returns net of pension plan investment expense) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real return rates by the target asset allocation percentage and by adding expected inflation.

Note 19. Pension Plans (continued)

The target allocation and best estimates of arithmetic real rates of return (RROR) for each of the plans, by major asset class, are summarized in the following table:

	ERF	
Asset Class	Target Allocation	Long-term RROR
Domestic equity	12.50%	6.50%
International equity	12.50%	7.25%
Global equity	7.50%	7.05%
Low volatility global equity	12.50%	7.10%
Fixed income	15.00%	4.90%
High yield fixed income	10.00%	6.55%
Credit opportunities	5.00%	8.25%
REITs	2.50%	5.65%
Private real estate	7.50%	6.03%
Private equity	7.50%	9.90%
Global public infrastructure	5.00%	7.29%
Marketable alternatives	2.50%	7.00%
Total	100.00%	

	Combined Plan		Supplemental Plan	
Asset Class	Target Allocation	Long-term RROR	Target Allocation	Long-term RROR
Global equity	55%	7.01%	55%	7.01%
Emerging markets equity	5%	8.71%	5%	8.71%
Private equity	5%	9.96%	5%	9.96%
Cash	3%	0.71%	3%	0.71%
Short-term investment grade bonds	6%	0.96%	6%	0.96%
Investment grade bonds	4%	1.91%	4%	1.91%
High yield bonds	4%	3.71%	4%	3.71%
Bank loans	4%	3.21%	4%	3.21%
Emerging markets debt	4%	3.71%	4%	3.71%
Real estate	5%	3.61%	5%	3.61%
Natural resources	5%	4.86%	5%	4.86%
Total	100%		100%	

G. Discount Rate

ERF: The discount rate used to measure the total pension liability was 5.41 percent. This single discount rate was based on the expected rate of return on pension plan investments of 7.25 percent and the municipal bond rate of 4.05 percent. The projection of cash flows used to determine the discount rate assumed that (1) plan member contributions and City contributions will be made at the projected future contribution rates outlined in Chapter 40A of the Dallas City Code, under which employees contribute 37 percent of the CATOR; the City contributes 63 percent of the CATOR, reduced by the amount required to pay current debt service on the pension obligation bonds; (2) the ERF annually earns 7.25 percent on its market value of assets; and (3) the number of active members remains constant in the future. Based on those assumptions and the ERF's funding policy, the resulting single discount rate is 5.41 percent.

Note 19. Pension Plans (continued)

Combined Plan: The discount rate used to measure the total pension liability was 6.50 percent. The projection of cash flows used to determine the discount rate assumed that employee and City contributions will be made in accordance with House Bill 3158, including statutory minimums through 2024 and 34.5% of computation pay thereafter. The fiduciary net position of the plan was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Supplemental Plan: The discount rate used to measure the total pension liability was 6.50 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the Supplemental Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine total pension liability.

On May 31, 2017, Texas Governor Greg Abbott signed into law House Bill 3158, affecting the Dallas Police and Fire Pension System ("Pension System"). House Bill 3158 primarily amends 6243a-1, Texas Revised Statutes, including amendments to provisions concerning benefits, contributions, and governance, among other things. These changes took effect September 1, 2017 for both the Combined and Supplemental Plans.

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Note 19. Pension Plans (continued)

H. Changes in the Net Pension Liability

The following table shows the net pension liabilities as of December 31, 2022.

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Employees' Retirement Fund			
Balances at 12/31/21	$ 5,094,363	$ 4,093,214	$ 1,001,149
Changes for the year:			
Service cost	94,476	-	94,476
Interest	360,815	-	360,815
Changes of assumptions	1,226,214	-	1,226,214
Differences between expected and actual experience	56,503	-	56,503
Contributions - City	-	67,288	(67,288)
Contributions - Employee	-	63,428	(63,428)
Net investment income	-	(368,929)	368,929
Benefit payments, including refunds of employee contributions	(329,686)	(329,686)	-
Administrative expense	-	(9,036)	9,036
Other changes	-	-	-
Net Changes	1,408,322	(576,935)	1,985,257
Balances at 12/31/22	$ 6,502,685	$ 3,516,279	$ 2,986,406
Combined Plan			
Balances at 12/31/21	$ 5,163,730	$ 2,157,839	$ 3,005,891
Changes for the year:			
Service cost	71,625	-	71,625
Interest	329,455	-	329,455
Changes of assumptions	65,942	-	65,942
Differences between expected and actual experience	(42,456)	-	(42,456)
Contributions - City	-	169,911	(169,911)
Contributions - Employee	-	59,707	(59,707)
Net investment income	-	(240,891)	240,891
Benefit payments, including refunds of employee contributions	(333,638)	(333,638)	-
Administrative expense	-	(6,363)	6,363
Net Changes	90,928	(351,274)	442,202
Balances at 12/31/22	$ 5,254,658	$ 1,806,565	$ 3,448,093
Supplemental Plan			
Balances at 12/31/21	$ 40,868	$ 18,661	$ 22,207
Changes for the year:			
Service cost	1,019	-	1,019
Interest	2,630	-	2,630
Changes of assumptions	891	-	891
Differences between expected and actual experience	501	-	501
Contributions - City	-	2,807	(2,807)
Contributions - Employee	-	256	(256)
Net investment income	-	(2,181)	2,181
Benefit payments, including refunds of employee contributions	(2,843)	(2,843)	-
Administrative expense	-	(59)	59
Net Changes	2,198	(2,020)	4,218
Balances at 12/31/22	$ 43,066	$ 16,641	$ 26,425

Note 19. Pension Plans (continued)

The net pension liability for the ERF has been allocated between governmental activities and business-type activities based on the percentage of contribution by each. The net pension liability for the Combined Plan and Supplemental Plan is reported in the governmental activities. For governmental activities, the total net pension liability was $5,466,838 and for business-type activities, $994,087. The amount of the ERF net pension liability allocated by business-type activity is $563,633 to Dallas Water Utilities, $28,781 to Convention Center, $91,174 to Airport Revenues, $194,852 to Sanitation and $115,646 to nonmajor funds.

I. Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following table presents the net pension liability of the City, calculated using the discount rates of 5.41 percent for ERF, 6.50 percent for the Combined Plan and 6.50 percent for the Supplemental Plan, as well as what the City's net pension liability would be if it were calculated using discount rates that are 1-percentage-point lower (4.41 percent for ERF, 5.50 percent for the Combined Plan and 5.50 percent for the Supplemental Plan) or 1-percentage-point higher (6.41 percent for ERF, 7.50 percent for the Combined Plan and 7.50 percent for the Supplemental Plan) than the current rates:

	1% Decrease	Current Discount Rate	1% Increase
ERF	$ 3,859,650	$ 2,986,406	$ 2,266,091
Combined Plan	$ 4,080,686	$ 3,448,093	$ 2,923,063
Supplemental Plan	$ 30,677	$ 26,425	$ 22,819

J. Pension Plan Fiduciary Net Position

Detailed information about the fiduciary net position of each of the pension plans is available in the separately issued financial reports.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the fiscal year ended September 30, 2023, the City recognized total pension expense of $21,477, $320,956 of which was for the ERF, ($300,270) for the Combined Plan, and $791 for the Supplemental Plan. At September 30, 2023, the City also reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	ERF		Combined Plan		Supplemental Plan
	Deferred Outflows	Deferred Inflows	Deferred Outflows	Deferred Inflows	Deferred Outflows
Differences between expected and actual experience	$ 59,699	$ 25,370	$ 47,480	$ 63,209	$ -
Changes of assumptions	1,078,080	708,866	270,351	8,270	-
Net difference between projected actual earnings on pension plan investments	288,124	-	246,821	-	2,435
Contributions subsequent to the measurement date	55,419	-	128,948	-	3,666
Total deferred outflows/inflows	$ 1,481,322	$ 734,236	$ 693,600	$ 71,479	$ 6,101

Deferred outflows of resources reported in the amounts of $55,419, $128,948 and $3,666 related to pension contributions in the ERF, Combined Plan and Supplemental Plan made subsequent to the measurement date will be recognized as a reduction of the net pension liability during the fiscal year ending September 30, 2024. Deferred outflows of resources reported in the amount of $1,187,275 related to pensions will be recognized in pension expense as shown on the following page.

Note 19. Pension Plans (continued)

	ERF	Combined Plan	Supplemental Plan
Year ending 09/30:			
2024	117,689	127,119	821
2025	116,208	136,151	598
2026	268,150	106,292	337
2027	189,620	121,318	679
2028	-	(1,062)	-
Thereafter	-	3,355	-
Total	$ 691,667	$ 493,173	$ 2,435

Note 20. Commitments and Contingencies

A. Pending Lawsuits and Claims

Various claims and lawsuits are pending against the City and its officers and employees acting in their official capacities (hereafter collectively "City" for purposes of Note 18 A). Those lawsuits and claims, excluding condemnation proceedings, which are considered "probable" and estimable are accrued as a liability, while those claims and judgments, excluding condemnation proceedings, which are considered "reasonably possible" are disclosed but not accrued.

On September 30, 2023, approximately $59.1 million has been accrued in the Risk Fund as a liability for pending material claims and lawsuits, excluding condemnation proceedings, considered to be probable. In the opinion of the City Attorney, this is the total amount of all such pending claims and lawsuits which represent probable loss to the City.

In the opinion of the City Attorney, the potential loss resulting from all material pending lawsuits and claims, excluding condemnations proceedings, which are considered reasonably possible and estimable, is approximately $8.7 million as of September 30, 2023.

B. Commitments and Loss Contingencies

The City participates in a number of federally assisted and state grant programs, principally the Community Development Block Grant, Women, Infants and Children, Coronavirus Relief Fund, Emergency Rental Assistance, HOME, Airport Improvement, and Clear Air and Drinking Water programs. The programs are subject to program compliance audits by the grantors or their representatives. The amount, if any, of the expenditures which may be disallowed by the granting agencies cannot be determined at this time although the City expects such amount, if any, to be immaterial.

The City has several major construction projects planned or in progress as of September 30, 2023. These projects are evidenced by contractual commitments and include the following: $413 million for General Purpose Capital Improvements and $810.2 million for Water Utilities Capital Improvements.

As discussed in note 2B., Budgets and Budgetary Basis of Accounting, encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability, and to facilitate effective cash planning and control. As of September 30, 2023, the amount of encumbrances expected to be honored upon performance by the vendor in a subsequent year were as follows:

	Encumbrance Amount
General fund	$ 54,453
Nonmajor governmental funds	546,595
Total	$ 601,048

Note 21. Dallas Water Utilities Prepaid Escrow

On October 1, 1981, the City of Dallas purchased water supply rights for Lake Fork, a water source owned and operated by the Sabine River Authority (Authority), for approximately $117 million. Lake Fork is located on Lake Fork Creek, a tributary of the Sabine River, in Wood, Hopkins, and Rains Counties, approximately 70 miles east of the City of Dallas. Financial obligations of the City's share of Lake Fork water supply rights were fully paid as of December 2004. The City now has a contract with the Authority for 74 percent of the water available from Lake Fork.

The City was required to pay the Authority for a pro rata share of the operation and maintenance costs associated with Lake Fork, which was approximately $15.7 million in the fiscal year ended September 30, 2022. The pro rata share of the operation and maintenance costs owed to the Authority for the renewal of the Lake Fork contract was to be mutually negotiated with the Authority pursuant to the terms of the contract. Negotiation attempts with the Authority failed and in October 2014, the Authority unilaterally established a rate which would require the City to pay approximately an additional $24 million annually for the water to which it is entitled. The City challenged the rate by filing petitions with the Public Utilities Commission of Texas (PUC) and district courts in Travis and Orange counties in Texas. The PUC ordered an administrative law judge to consider setting an interim rate while this dispute was pending.

On April 2, 2015, the administrative law judge ruled that the interim rate must be paid by the City of Dallas until the rate case was resolved. The rate was set by the Authority on a take-or-pay basis, without a cost escalator. This interim rate was retroactive to November 2, 2014. The amounts the City paid in accordance with the interim rate were expensed and deposited into an interest-bearing escrow account, established by the Authority, pending the final outcome of the rate case.

A settlement agreement was approved by City Council on October 11, 2017 and by the Authority Board of Directors on October 12, 2017.

The interest-bearing escrow account balance was $68.7 million on September 30, 2018. Terms of the settlement agreement required that $23.4 million be paid immediately from the escrow account as additional compensation to the Authority for the period November 2, 2014 through September 30, 2018. The remaining escrow amount of $45.3 million at September 30, 2017, plus the accrued September escrow contribution of $2 million (total $47.3 million) will be used to offset future payments of additional compensation by the City to the Authority, until the escrow account balance is depleted, and has been recorded as Prepaid Escrow on the statement of net position. The escrow balance was fully depleted on September 30, 2023.

Note 22. Other Postemployment Benefits

A. Plan Description

In addition to pension benefits, the City provides certain healthcare benefits for retired employees through various Council resolutions. The postemployment benefit plan is a single-employer plan administered by BlueCross BlueShield of Texas (BCBSTX). Employees who are permanent, full-time employees are eligible to participate at retirement. The City eliminated subsidization of the plan for individuals hired on or after January 1, 2010. No assets are accumulated in a trust that meets the criteria in GASB Statement 75.

B. Benefits Provided

For pre-65 retired employees hired before January 1, 2010, the City pays on average $712 (not in thousands) per month. The plan is closed to employees hired January 1, 2010 and thereafter. For pre-Medicare retirees who qualify and choose the City health plan, the City pays approximately 50 percent of the actuarial cost and the retiree pays the other 50 percent. There were 1,041 pre-65 retired participants in the health plan at September 30, 2023, the latest data used for this evaluation. Post-Medicare retirees are offered two Medicare Advantage plans along with a Medicare Part D prescription drug plan. The City no longer subsidizes the Medicare Advantage plans for the retirees regardless of hire date. The City pays Part A premiums for a grandfathered group of employees hired before April 1, 1986. The City also pays retiree life insurance for a grandfathered group who retired before January 1, 2002.

Note 22. Other Postemployment Benefits (continued)

C. Employees Covered by Benefit Terms

At September 30, 2023, membership was as follows:

Pre-65 Retirees	1,041
Part A Retirees	333
Active employees	4,117
Total participants	5,491

D. Total OPEB Liability

The City's total OPEB liability of $208,422 was measured as of September 30, 2023 and was determined by an actuarial valuation as of that date. The total OPEB liability has been allocated between governmental activities and business-type activities, based on the percentage of contribution by each. For governmental activities, the total OPEB liability was $158,774 and for business-type activities, $49,646, with allocations of $29,147 to Dallas Water Utilities fund, $4,004 to Convention Center, $3,344 to Airport Revenues, $8,978 to Sanitation, and $4,175 to nonmajor enterprise funds.

E. Actuarial Assumptions

The total OPEB liability in the September 30, 2023 actuarial valuation was determined using the following assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary Increases	**Police and Fire:** 2.5% to 3.25%, including inflation **Non-Uniformed:** 3.0% to 8.25%, including inflation
Discount Rate	4.63%, based on the 20-year yield for tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher
Mortality	**Uniform (pre-retirement):** Pub-2010 Public Safety Employee Amount-Weighted Table, set forward five years for males, projected using Scale MP-2019. **Uniform (post-retirement):** Pub-2010 Public Safety Retiree Amount-Weighted Table set back one year for females, projected using Scale MP-2019. **Non-Uniformed (pre-retirement):** Pub-2010 Mortality Table for General Employees projected using Scale UMP (Ultimate MP-2019). **Non-Uniformed (post-retirement):** 2019 Texas Municipal Retirees Mortality Table projected using Scale UMP (Ultimate MP-2019)
Healthcare Cost Trend Rates	**Pre-65 Trend:** 8.12% for fiscal year 2023 and trending down to an ultimate 3.94% using the Getzen model. **Post-65 Trend:** 5.19% for fiscal year 2023 and trending down to an ultimate 3.94% using the Getzen model.

Note 22. Other Postemployment Benefits (continued)

The actuarial assumptions used in the September 30, 2023 valuation were based on the results of an experience study on the healthcare-specific participation assumptions, plus assumption changes included in the September 30, 2023 valuation.

F. Changes to the Total OPEB Liability

	Total OPEB Liability
Balance at September 30, 2022	$ 221,571
Changes for the year:	
Service cost	4,959
Interest	9,666
Differences between expected and actual experience	(12,666)
Change of assumptions	(4,846)
Benefit payments	(10,262)
Net Changes	(13,149)
Balance at September 30, 2023	$ 208,422

Changes of assumptions reflect an increase in the discount rate from 4.40% to 4.63% and an updated medical trend.

G. Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following table presents the total OPEB liability of the City, calculated using the discount rate of 4.63 percent, as well as what the City's total OPEB liability would be if it were calculated using discount rates that are 1-percentage-point lower (3.63 percent) or 1-percentage-point higher (5.63 percent) than the current rates:

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB Liability	$ 225,188	$ 208,422	$ 193,118

H. Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following table presents the total OPEB liability of the City and what it would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB Liability	$ 192,164	$ 208,422	$ 226,806

Note 22. Other Postemployment Benefits (continued)

I. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the fiscal year ended September 30, 2023, the City recognized total OPEB expense of $9,070. At September 30, 2023, the City also reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	$ -	$ 34,589
Changes of assumptions	7,350	41,388
Total deferred outflows/inflows	$ 7,350	$ 75,977

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending 9/30:	OPEB Expense
2024	$ (21,423)
2025	(11,810)
2026	(11,810)
2027	(11,812)
2028	(9,268)
Thereafter	(2,504)
Total	$ (68,627)

Note 23. Subsequent Events

From October 1, 2023, through the date of the independent auditors' report, the City issued $32.1 million of Dallas Water Utilities commercial paper notes, Series F1 and $31.2 million of Dallas Water Utilities commercial paper notes, Series G, with average interest rates of 3.67 percent and 3.63 percent, respectively.

On October 5, 2023, S&P Global Ratings (S&P) assigned a rating of 'A-' and stable outlook on the Special Tax Revenue Obligations (Kay Bailey Hutchison Convention Center Venue Project), Series 2023 and 'BBB' credit rating and stable outlook to the Special Tax Revenue Obligations (Fair Park Venue Project), Series 2023.

On October 27, 2023, Kroll Bond Rating Agency (KBRA) affirmed the 'AA+' rating and positive outlook on the outstanding General Obligation debt as part of an annual review of the City.

On October 31, 2023, the City issued Senior Lien Special Tax Revenue Bonds (Fair Park Venue Project), Series 2023 in the amount of $43.36 million, with a premium of $120 thousand for a total of $43.48 million. The interest rate on the bonds is 6.25 percent. The City will use the proceeds of the bonds to fund the construction costs for the Fair Park Project and the cost of issuance of the bonds. The bonds will mature on August 15, 2053.

On October 31, 2023, the City issued Senior Lien Special Tax Revenue Bonds (Kay Bailey Hutchison Convention Center Dallas Venue Project, Series, 2023 in the amount of $170.6 million, with a premium of $970 thousand for a total of $171.57 million. The interest rate on the bonds is 6 percent. The City will use the proceeds of the obligations to fund the construction costs for the Convention Center Venue Project and the cost of issuance of the bonds. The bonds will mature on August 15, 2053.

On November 17, 2023, Fitch Ratings (Fitch) affirmed its 'A' rating and stable outlook on the Love Field Airport Modernization Corporation's general airport revenue bonds (GARBs) Series 2015, Series 2017, and Series 2021.

On December 5, 2023, the City issued Waterworks and Sewer System Revenue Bonds, Series 2023C in the amount of $34 million with interest rates ranging from 2.89 percent to 4.04 percent. The City will use the proceeds of the bonds to fund the construction costs for improvements to the system. The bonds will mature on October 1, 2048.

Note 23. Subsequent Events (continued)

On December 7, 2023, the City issued Equipment Acquisition Contractual Obligations, Series 2023A in the amount of $76.27 million. The interest rate on the obligations is 4.425 percent. The City will use the proceeds of the obligations to purchase equipment for various purposes and the cost of issuance of the obligations. The obligations will mature on August 15, 2028.

On January 11, 2024, the City issued Combination Tax and Revenue Certificates of Obligation, Series 2024A in the amount of $213.68 million, with a premium of $24.32 million for a total of $238 million. The interest rate on the bonds is 5 percent. The City will use the proceeds of the obligations to fund various construction projects and the cost of issuance of the obligations. The obligations will mature on February 15, 2023.

On December 7, 2023, Fitch Ratings (Fitch) assigned a rating of ‘AA’ and stable outlook on the Combination Tax and Revenue Certificates of Obligation Series 2024A. Fitch also affirmed the ‘AA’ rating and stable outlook on the outstanding General Obligation debt.

On December 8, 2023, S&P Global Ratings (S&P) assigned a rating of ‘AA-’ and stable outlook on the Combination Tax and Revenue Certificates of Obligation (CO) Series 2024A. S&P also affirmed the ‘AA-’ rating and stable outlook on the outstanding General Obligation debt and COs, and affirmed the ‘A’ rating and stable outlook on the Dallas Convention Center Hotel Development Corp. Series 2009A and Series 2009B hotel revenue bonds.

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CITY OF DALLAS, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS
Last Nine Fiscal Years
(Dollar amounts in thousands)

	2023	2022	2021	2020	2019
Employees' Retirement Fund					
Total Pension Liability					
Service cost	$ 94,476	$ 141,654	$ 118,452	$ 124,288	$ 84,843
Interest	360,815	322,901	330,348	325,766	332,011
Changes of assumptions	1,226,214	(1,303,798)	479,292	(43,032)	1,020,969
Differences between expected and actual experience	56,503	30,791	(82,641)	(7,819)	4,793
Plan changes	-	-	-	-	-
Benefit payments, including refunds	(329,686)	(307,038)	(294,323)	(288,445)	(272,496)
Net change	1,408,322	(1,115,490)	551,128	110,758	1,170,120
Total Pension Liability, Beginning	5,094,363	6,209,853	5,658,725	5,547,967	4,377,847
Total Pension Liability, Ending [a]	6,502,685	5,094,363	6,209,853	5,658,725	5,547,967
Plan Fiduciary Net Position					
Contributions - City	67,288	63,583	61,615	62,177	60,924
Contributions - Employee	63,428	59,256	58,359	58,314	56,772
Net investment income	(368,929)	578,010	229,105	550,942	(167,783)
Benefit payments, including refunds	(329,686)	(307,038)	(294,322)	(288,443)	(272,496)
Administrative expense	(9,036)	(7,350)	(5,700)	(7,513)	(7,485)
Other changes	-	-	(393)	298	121
Net change	(576,935)	386,461	48,664	375,775	(329,947)
Plan Fiduciary Net Position, Beginning	4,093,214	3,706,753	3,658,089	3,282,314	3,612,261
Plan Fiduciary Net Position, Ending [b]	3,516,279	4,093,214	3,706,753	3,658,089	3,282,314
City's Net Pension Liability [a] - [b]	$ 2,986,406	$ 1,001,149	$ 2,503,100	$ 2,000,636	$ 2,265,653
Plan Fiduciary Net Position as a percentage of Total Pension Liability	54%	80%	60%	65%	59%
Covered payroll	$ 476,601	$ 442,863	$ 428,824	$ 433,890	$ 423,723
City's Net Pension Liability as a percentage of covered payroll	627%	226%	584%	461%	535%
Dallas Police and Fire Pension Combined Plan					
Total Pension Liability					
Service cost	$ 71,625	$ 69,963	$ 56,244	$ 49,156	$ 44,792
Interest	329,455	326,949	324,046	318,703	318,536
Changes of assumptions	65,942	(4,238)	257,525	155,569	(31,460)
Differences between expected and actual experience	(42,456)	(26,683)	70,548	16,723	(46,556)
Plan changes	-	-	-	-	16,091
Benefit payments, including refunds	(333,638)	(324,633)	(317,951)	(309,859)	(297,081)
Net change	90,928	41,358	390,412	230,292	4,322
Total Pension Liability, Beginning	5,163,730	5,122,372	4,731,960	4,501,668	4,497,346
Total Pension Liability, Ending [a]	5,254,658	5,163,730	5,122,372	4,731,960	4,501,668
Plan Fiduciary Net Position					
Contributions - City	169,911	165,541	161,950	155,721	149,357
Contributions - Employee	59,707	58,560	57,305	52,268	49,332
Net investment income	(240,891)	321,063	(8,928)	124,260	42,822
Benefit payments, including refunds	(333,638)	(324,633)	(317,951)	(309,861)	(297,081)
Administrative expense	(6,363)	(6,391)	(6,534)	(6,445)	(5,861)
Other changes	-	-	-	-	-
Net change	(351,274)	214,140	(114,158)	15,943	(61,431)
Plan Fiduciary Net Position, Beginning	2,157,839	1,943,699	2,057,857	2,041,914	2,103,345
Plan Fiduciary Net Position, Ending [b]	1,806,565	2,157,839	1,943,699	2,057,857	2,041,914
City's Net Pension Liability [a] - [b]	$ 3,448,093	$ 3,005,891	$ 3,178,673	$ 2,674,103	$ 2,459,754
Plan Fiduciary Net Position as a percentage of Total Pension Liability	34%	42%	38%	43%	45%
Covered payroll	$ 462,820	$ 436,971	$ 427,441	$ 396,955	$ 363,117
City's Net Pension Liability as a percentage of covered payroll	745%	688%	744%	674%	677%
Dallas Police and Fire Pension Supplemental Plan					
Total Pension Liability					
Service cost	$ 1,019	$ 394	$ 379	$ 212	$ 223
Interest	2,630	2,373	2,438	2,223	2,359
Changes of assumptions	891	(4)	1,559	1,332	28
Differences between expected and actual experience	501	3,371	47	3,007	(2,628)
Plan changes	-	-	-	-	889
Benefit payments, including refunds	(2,843)	(2,750)	(2,778)	(2,766)	(2,708)
Net change	2,198	3,384	1,645	4,008	(1,837)
Total Pension Liability, Beginning	40,868	37,484	35,839	31,831	33,668
Total Pension Liability, Ending [a]	43,066	40,868	37,484	35,839	31,831
Plan Fiduciary Net Position					
Contributions - City	2,807	2,099	1,778	1,530	1,980
Contributions - Employee	256	228	245	111	75
Net investment income	(2,181)	2,765	(123)	169	1,220
Benefit payments, including refunds	(2,843)	(2,750)	(2,778)	(2,766)	(2,708)
Administrative expense	(59)	(55)	(55)	(55)	(53)
Other changes	-	-	-	-	-
Net change	(2,020)	2,287	(933)	(1,011)	514
Plan Fiduciary Net Position, Beginning	18,661	16,374	17,307	18,318	17,804
Plan Fiduciary Net Position, Ending [b]	16,641	18,661	16,374	17,307	18,318
City's Net Pension Liability [a] - [b]	$ 26,425	$ 22,207	$ 21,110	$ 18,532	$ 13,513
Plan Fiduciary Net Position as a percentage of Total Pension Liability	39%	46%	44%	48%	58%
Covered payroll	$ 1,800	$ 1,631	$ 626	$ 584	$ 622
City's Net Pension Liability as a percentage of covered payroll	1468%	1362%	3372%	3173%	2173%

* This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

2018	2017	2016*	2015*
$ 81,178	$ 133,457	$ 78,020	$ 62,065
325,620	305,826	313,850	290,948
-	(1,227,079)	1,238,431	292,137
(59,066)	(38,327)	(26,829)	(21,967)
-	-	-	-
(261,690)	(249,639)	(239,960)	(230,243)
86,042	(1,075,762)	1,363,512	392,940
4,291,805	5,367,567	4,004,055	3,611,115
4,377,847	4,291,805	5,367,567	4,004,055
58,966	56,130	50,721	45,833
55,175	53,436	50,742	46,536
413,511	294,918	(53,344)	207,992
(261,690)	(249,639)	(239,960)	(230,243)
(5,951)	(5,343)	(4,598)	(4,150)
207	333	162	157
260,218	149,835	(196,277)	66,125
3,352,043	3,202,208	3,398,485	3,332,360
3,612,261	3,352,043	3,202,208	3,398,485
$ 765,586	$ 939,762	$ 2,165,359	$ 605,570
83%	78%	60%	85%
$ 421,269	$ 409,433	$ 393,186	$ 353,650
182%	230%	551%	171%
$ 148,552	$ 167,432	$ 125,441	$ 131,312
348,171	360,567	359,023	369,408
(2,851,241)	(712,004)	908,988	-
(134,665)	(77,463)	379,461	(4,453)
(1,167,597)	-	-	(329,794)
(296,154)	(825,092)	(285,003)	(245,932)
(3,952,934)	(1,086,560)	1,487,910	(79,459)
8,450,280	9,536,840	8,048,930	8,128,389
4,497,346	8,450,280	9,536,840	8,048,930
126,318	119,345	114,886	109,792
32,977	25,518	25,676	29,333
98,911	164,791	(235,338)	(138,893)
(296,154)	(825,092)	(285,003)	(245,932)
(8,089)	(9,492)	(8,417)	(8,003)
(1,280)	(4,532)	(5,875)	(7,361)
(47,317)	(529,462)	(394,071)	(261,064)
2,150,662	2,680,124	3,074,195	3,335,259
2,103,345	2,150,662	2,680,124	3,074,195
$ 2,394,001	$ 6,299,618	$ 6,856,716	$ 4,974,735
47%	25%	28%	38%
$ 346,037	$ 357,414	$ 365,210	$ 383,006
692%	1763%	1877%	1299%
$ 111	$ 70	$ 36	$ 28
2,799	2,911	2,953	2,969
(479)	(917)	(601)	-
(1,435)	1,106	929	336
(5,306)	-	-	(526)
(2,669)	(5,912)	(2,640)	(3,415)
(6,979)	(2,742)	677	(608)
40,647	43,389	42,712	43,320
33,668	40,647	43,389	42,712
2,077	3,064	2,443	1,817
66	35	43	49
740	1,141	(1,690)	(517)
(2,669)	(5,912)	(2,640)	(3,415)
(69)	(78)	(61)	(56)
(11)	(37)	(43)	(51)
134	(1,787)	(1,948)	(2,173)
17,670	19,457	21,405	23,578
17,804	17,670	19,457	21,405
$ 15,864	$ 22,977	$ 23,932	$ 21,307
53%	43%	45%	50%
$ 916	$ 525	$ 725	$ 557
1732%	4377%	3301%	3825%

CITY OF DALLAS, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS TO PENSION PLANS
Last Ten Fiscal Years
(Dollar amounts in thousands)

	2023	2022	2021	2020	2019
Employees Retirement Fund					
Actuarially determined contribution	$ 109,527	$ 107,167	$ 96,558	$ 92,567	$ 85,945
Contributions in relation to the actuarially determined contribution	$ 72,640	$ 68,492	$ 61,892	$ 61,798	$ 62,462
Contribution deficiency (excess)	$ 36,887	$ 38,676	$ 34,666	$ 30,769	$ 23,483
Covered payroll	$ 514,451	$ 497,758	$ 437,707	$ 435,198	$ 434,064
Contributions as a percentage of covered payroll	14%	14%	14%	14%	14%
Dallas Police and Fire Pension - Combined Plan					
Actuarially determined contribution	$ 248,327	$ 228,658	$ 223,152	$ 193,748	$ 157,368
Contributions in relation to the actuarially determined contribution	$ 171,671	$ 169,910	$ 165,330	$ 161,928	$ 151,850
Contribution deficiency (excess)	$ 76,656	$ 58,748	$ 57,822	$ 31,820	$ 5,518
Statutorily required contribution	N/A	N/A	N/A	N/A	N/A
Contributions in relation to the statutorily required contribution	N/A	N/A	N/A	N/A	N/A
Contribution deficiency (excess)	N/A	N/A	N/A	N/A	N/A
Covered payroll	$ 456,820	$ 437,204	$ 431,045	$ 414,790	$ 375,759
Contributions as a percentage of covered payroll	38%	39%	38%	39%	40%
Dallas Police and Fire Pension - Supplemental Plan					
Actuarially determined contribution	$ 3,666	$ 2,807	$ 2,099	$ 1,777	$ 1,881
Contributions in relation to the actuarially determined contribution	$ 3,666	$ 2,807	$ 2,099	$ 1,777	$ 1,881
Covered payroll	$ 1,854	$ 1,680	$ 646	$ 584	$ 723
Contributions as a percentage of covered payroll	198%	167%	325%	304%	260%

(1) Beginning in September 2017, the Texas House Bill 3158 required that contributions to the Plan be based computation pay. Per the House Bill, computation pay is based on the biweekly rate of pay of a member, educational incentive pay, longevity pay, and city service incentive pay. Overtime, assignment pay, and lump sum payments are not included.

2018	2017	2016	2015	2014
$ 91,977	$ 88,547	$ 81,838	$ 68,100	$ 62,756
$ 60,589	$ 58,045	$ 56,987	$ 49,135	$ 44,816
$ 31,388	$ 30,502	$ 24,851	$ 18,965	$ 17,940
$ 420,754	$ 405,062	$ 389,706	$ 376,421	$ 357,887
14%	14%	15%	13%	13%
$ 157,997	$ 202,167	N/A	N/A	N/A
$ 151,850	$ 120,351	N/A	N/A	N/A
$ 6,147	$ 81,816	N/A	N/A	N/A
N/A	N/A	$ 118,508	$ 113,026	$ 108,268
N/A	N/A	$ 118,508	$ 113,026	$ 108,268
N/A	N/A	$ -	$ -	$ -
$ 348,011 (1)	$ 427,867	$ 432,082	$ 414,373	$ 378,000
44%	28%	27%	27%	29%
$ 2,274	$ 2,087	$ 3,064	$ 2,443	$ 1,817
$ 2,274	$ 2,087	$ 3,064	$ 2,443	$ 1,817
$ 916	$ 525	$ 725	$ 556	$ 521
248%	398%	423%	439%	349%

CITY OF DALLAS, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO SCHEDULE OF CITY CONTRIBUTIONS TO PENSION PLANS
Last 10 Fiscal Years

Employees' Retirement Fund

Valuation date	12/31/2022	12/31/21	12/31/20	12/31/19	12/31/18	12/31/17	12/31/16	12/31/15	12/31/14	12/31/13
Timing	The actuarially determined contribution rate is effective October 1 after the valuation date.									
Actuarial cost method	Entry age normal.									
Amortization method	30-year open group projection. The City ordinance authorizing the plan specifies that the rate may not change from year-to-year if the calculated rate is less than 300 basis points different from the current rate.				30-year open amortization period level percentage of payroll. The City ordinance authorizing the plan specifies that the rate may not change from year-to-year if the calculated rate is less than 300 basis points different from the current rate.					
Asset valuation method	5-year smoothed market value of assets.									
Inflation	2.50%				2.75%			3%		
Salary increases	3.0% to 8.25%, including inflation				3.25% to 6.25%, including inflation			3.5% to 7%, including inflation		
Discount rate	5.41%	7.25%	5.27%	5.93%	5.98%	7.75%		8.00%		8.25%
Cost of Living Adjustment	The greater of (a) the percentage of change in the price index for October of the current year over October of the previous year, or (b) the percentage of annual average change in the price index for the 12-month period ending with the effective date of the adjustment. The maximum change per year is 5% for Tier A and 3% for Tier B members.							The greater of (a) the percentage of change in the price index for October of the current year over October of the previous year, up to 5%, or (b) the percentage of annual average change in the price index for the 12-month period ending with the effective date of the adjustment, up to 5%.		
Mortality	**For actives:** Pub-2010 Mortality Table for General Employees projected using Scale UMP (Ultimate MP-2019). **For healthy retirees:** 2019 Texas Municipal Retirees Motility Table projected using Scale UMP (Ultimate MP-2019). **For all disabled lives:** 2019 Texas Municipal Retirees Mortality Table, set forward four years for males and three years for females, projected using Scale UMP (Ultimate MP-2019).				**For actives:** Males - RP-2000 Employee Mortality Table for male employees, set forward 4 years. Females - RP-2000 Employee Mortality Table for female employees, set back 5 years. **For healthy retirees:** Males - RP-2000 Combined with Blue Collar adjustment for male annuitants, with a 109% multiplier and fully generational mortality using improvement scale BB Females - RP-2000 Combined with Blue Collar adjustement for female annuitants, with a 103% multiplier and fully generational mortality using improvement scale BB **For all disabled lives:** RP-2000 Disabled Mortality Table for male annuitants, set forward one year.		**For actives:** Males - RP-2000 Healthy Mortality Table for male employees, set forward 4 years. Females - RP-2000 Healthy Mortality Table for female employees, set back 5 years. **For healthy retirees:** Males - RP-2000 Healthy Mortality Table for male annuitants, projected to 2007 using mortality improvement scale BB, set forward two years. P2000 Healthy Mortality Table for female annuitants. **For all disabled lives:** RP-2000 Disabled Mortality Table for male annuitants, set forward one year.		**For actives:** Males - RP-2000 Healthy Mortality Table for male employees, set forward 4 years. Females - RP-2000 Healthy Mortality Table for female employees, set back 5 years. **For healthy retirees:** Males - RP-2000 Healthy Mortality Table for male annuitants, projected to 2007 using mortality improvement scale AA, set forward two years. P2000 Healthy Mortality Table for female annuitants. **For all disabled lives:** RP-2000 Disabled Mortality Table for male annuitants, set forward one year.

CITY OF DALLAS, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO SCHEDULE OF CITY CONTRIBUTIONS TO PENSION PLANS (Continued)
Last 10 Fiscal Years

Dallas Police and Fire Pension - Combined Plan

Valuation date	1/1/2023	01/01/22	01/01/21	01/01/20	01/01/19	01/01/18	01/01/17	01/01/16	01/01/15	01/01/14
Timing	The actuarially determined contribution is included in the report for informational purposes only, beginning in January 1, 2017.									
Actuarial cost method	Entry age normal.									
Amortization method	Level percentage of payroll.									
Asset valuation method	Market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual market return and the expected return on the market value, and is recognized over a five-year period, further adjusted, if necessary, to be within 20% of the market value.									
Inflation	2.50%			2.75%						
Salary increases	2.5% to 7.25%, including inflation.	2.5% to 3.25%, including inflation.			2.0% to 5.0%, including inflation.	3.0% to 5.2%, including inflation.	2.75%			
Discount rate	6.5%			7%	7.25%	7.25%	7.25%			
Cost of Living Adjustment	Ad hoc granted by the Board when the Plan is 70 percent funded after accounting for the COLA. 1.5% on original benefit starting October 1, 2073	2.00% simple increases starting October 1, 2073	Ad hoc granted by the Board when the Plan is 70 percent funded after accounting for the COLA. 2.0% of original benefit, beginning October 1, 2063.		Ad hoc granted by the Board when the Plan is 70 percent funded after accounting for the COLA. 2.0% of original benefit, beginning October 1, 2050.	Ad hoc granted by the Board when the Plan is 70 percent funded and other financial benchmarks have been met.	0% prior to October 1, 2049. 2% on original benefit beginning October 1, 2049.			
Mortality	**For actives:** Pub-2010 Public Safety Employee Amount-Weighted Mortality Table, set forward five years for males, projected generationally using Scale MP-2019. **For healthy retirees:** Pub-2010 Public Safety Retiree Amount-Weighted Mortality Table, set back one year for females, projected generationally using Scale MP-2019. **For all disabled lives:** Pub-2010 Public Safety Disabled Retiree Amount-Weighted Mortality Table, set forward four years for both males and females, projected generationally using Scale MP-2019.				**For actives:** RP-2014 Employee Mortality Table, set back two years for males, projected generationally using Scale MP-2015 **For healthy retirees:** RP-2014 Blue Collar Healthy Annuitant Mortality Table, set forward two years for females, projected generationally using Scale MP-2015 **For all disabled lives:** Sex distinct RP-2014 Disabled Retiree Mortality Table, set back three years for males and females, projected generationally using Scale MP-2015.	**For actives:** Sex distinct RP-2014 Employee Mortality Table, set back two years for males, projected generationally using Scale MP-2015. **For healthy retirees:** RP-2014 Healthy Annuitant Mortality Table, set forward two years for females, projected generationally using Scale MP-2015. **For all disabled lives:** Sex distinct RP-2014 Disabled Retiree Mortality Table, set back three years for males and females, projected generationally using Scale MP-2015.			

Dallas Police and Fire Pension - Supplemental Plan

Valuation date	1/1/2023	01/01/22	01/01/21	01/01/20	01/01/19	01/01/18	01/01/17	01/01/16	01/01/15	01/01/14
Timing	The actuarially determined contribution is due September 30 after the valuation date.									
Actuarial cost method	Entry age normal.									
Amortization method	Level percentage of payroll.									
Asset valuation method	Market value of assets.									
Inflation	2.50%			2.75%					4%	
Salary increases	2.5% to 7.25%, including inflation.	2.50% to 3.25%, including inflation			2.0% to 5.0%, including inflation.	3.0% to 5.2%, including inflation.	2.75%		4% - 9.64%, including inflation	
Discount rate	6.5%		7%		7.25%					8.50%
Cost of Living Adjustment	1.5% on original benefit starting October 1, 2073	1.50% simple increases starting October 1, 2073	Ad hoc granted by the Board when the Plan is 70 percent funded after accounting for the COLA. 2.0% of original benefit, beginning October 1, 2063.		Ad hoc granted by the Board when the Plan is 70 percent funded after accounting for the COLA. 2.0% of original benefit, beginning October 1, 2050.	None	4% for members hired on or before December 31, 2006. New members hired after December 31, 2006 are not eligible for an automatic increase.			
Mortality	**For actives:** Pub-2010 Public Safety Employee Amount-Weighted Mortality Table, set forward five years for males, projected generationally using Scale MP-2019. **For healthy retirees:** Pub-2010 Public Safety Retiree Amount-Weighted Mortality Table, set back one year for females, projected generationally using Scale MP-2019. **For all disabled lives:** Pub-2010 Public Safety Disabled Retiree Amount-Weighted Mortality Table, set forward four years for both males and females, projected generationally using Scale MP-2019.				**For actives:** RP-2014 Employee Mortality Table, set back two years for males, projected generationally using Scale MP-2015 **For healthy retirees:** RP-2014 Blue Collar Healthy Annuitant Mortality Table, set forward two years for females, projected generationally using Scale MP-2015 **For all disabled lives:** Sex distinct RP-2014 Disabled Retiree Mortality Table, set back three years for males and females, projected generationally using Scale MP-2015.	**For actives:** Sex distinct RP-2014 Employee Mortality Table, set back two years for males, projected generationally using Scale MP-2015. **For healthy retirees:** RP-2014 Healthy Annuitant Mortality Table, set forward two years for females, projected generationally using Scale MP-2015. **For all disabled lives:** Sex distinct RP-2014 Disabled Retiree Mortality Table, set back three years for males and females, projected generationally using Scale MP-2015.		**For actives:** RP-2000 Combined Healthy Mortality Table projected ten years beyond the valuation date using Scale AA. **For healthy retirees:** RP-2000 Combined Healthy Mortality Table projected ten years beyond the valuation date using Scale AA. **For all disabled lives:** RP-2000 Combined Healthy Mortality Table with a one-year set forward.	

CITY OF DALLAS, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION (1)
SCHEDULE OF CHANGES IN THE CITY'S TOTAL LIABILITY
AND RELATED RATIOS
OTHER POSTEMPLOYMENT BENEFITS
Last Six Fiscal Years
(Dollar amounts in thousands)

	2023	2022	2021	2020	2019	2018 (2)
Total OPEB Liability						
Service cost	$ 4,959	$ 7,912	$ 14,023	$ 16,491	$ 14,006	$ 14,817
Interest	9,666	5,867	12,940	15,775	19,813	18,420
Changes of assumptions	(4,846)	(38,723)	12,863	(47,877)	82,662	(26,244)
Differences between expected and actual experience	(12,666)	(8,639)	(30,661)	(198)	(42,693)	6,669
Changes in benefit terms	-	-	(255,621)	-	-	-
Benefit payments	(10,262)	(11,006)	(18,373)	(18,573)	(19,537)	(21,343)
Net change	(13,149)	(44,589)	(264,829)	(34,382)	54,251	(7,681)
Total OPEB Liability, Beginning	221,571	266,160	530,989	565,371	511,120	518,801
Total OPEB Liability, Ending	$ 208,422	$ 221,571	$ 266,160	$ 530,989	$ 565,371	$ 511,120
Covered employee payroll	$ 1,127,833	$ 1,045,494	$ 983,482	$ 959,102	$ 914,916	$ 877,768
Total OPEB Liability as a Percentage of Covered Employee Payroll	18%	21%	27%	55%	62%	58%

(1) There are no assets accumulated in a trust that meet the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the OPEB plan.

(2) This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

“Our Product is Service”
Empathy | Ethics | Excellence | Engagement | Equity

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Community Development Fund – to account for funds received by the City of Dallas pursuant to the Community Development Act of 1974, as amended, and grant funds for community development type programs.

Health and Human Services Fund – to account for private and grant funds received for public health and human services programs.

Library Fund – to account for private and grant funds received for acquisition of library materials and expansion of library services.

Police Fund – to account for private and grant funds received for crime prevention and law enforcement programs.

Recreation Fund – to account for private and grant funds received for summer recreation and other recreation programs.

Transportation Fund – to account for private and grant funds received for transportation studies and construction.

Management Improvement Fund – to account for private and grant funds received for management productivity improvements.

Public Improvement Districts Fund – to account for special assessments restricted for public improvement districts.

Storm Water Operations Fund – to account for the administration and operational activities of the Storm Water Program. Financing is provided by a Storm Water fee.

Municipal Fund – to account for private contributions restricted to the provision of various employee and citizen municipal purposes.

General Citizen Fund – to account for private contributions restricted to the provision of various general governmental projects.

Arts and Cultural Fund – to account for private contributions restricted for the financing arts and cultural activities.

CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned for capital outlays, including the acquisition or construction of capital facilities and other capital assets which are not financed by Enterprise Funds, Internal Service Funds, and Trust Funds.

Neighborhood Projects – to account for construction of neighborhood facilities and paving projects.

Parks – to account for construction of parks, playgrounds, and recreational facilities.

Streets and Drainage – to account for construction of streets and storm sewers.

Buildings – to account for construction of City-owned buildings

Transportation – to account for construction of traffic signals and controls.

NONMAJOR GOVERNMENTAL FUNDS

PERMANENT FUNDS

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs that is, for the benefit of the government or its citizenry.

Samuell Park – to account for the private donation by Dr. W.W. Samuell. The income from this fund is restricted to the operation and improvement of Samuell Park.

Grauwyler Memorial – to account for the private donation by Mrs. Emma H. Grauwyler. The income from the trust is to be used to improve and beautify Grauwyler Park.

Craddock Park – to account for the private donation by Mr. and Mrs. L. Craddock. The earnings from the trust are to be used for improving and maintaining Craddock Park.

Martin Weiss Park – to account for the private donations by Mr. and Mrs. Martin Weiss, the earnings from which are restricted to the use for further improvements of the Martin Weiss Park.

Hale Davis – to account for private donations by Hale Davis, restricted for municipal purposes.

CITY OF DALLAS, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2023
(in thousands)

	Special Revenue				
	Community Development	Health and Human Services	Library	Police	Recreation
Assets					
Pooled cash and cash equivalents	$ 9,132	$ -	$ 2,467	$ 17,048	$ 45,791
Other investments, at fair value	-	-	1,000	-	-
Receivables:					
Notes	40,283	-	-	-	895
Special assessments-paving notes	-	-	-	-	-
Accounts	16,054	-	-	1,091	37
Accrued interest	879	3	17	98	302
Leases	-	-	-	-	219
Allowance for uncollectible accounts	(29,819)	-	-	-	-
Due from other governments	8,968	5,843	-	4,900	108
Prepaid items	146	15	-	-	-
Restricted cash and cash equivalents	-	-	-	-	-
Notes receivable from other funds	-	-	-	-	-
Total assets	45,643	5,861	3,484	23,137	47,352
Liabilities, deferred inflows, and fund balances					
Liabilities					
Accrued payroll	188	308	-	79	13
Accounts payable	4,232	510	162	1,669	172
Due to other governments	-	-	-	-	-
Due to other funds	-	4,362	-	-	-
Unearned revenue	-	-	-	785	151
Construction accounts payable	-	-	-	-	-
Notes payable to other funds	-	-	-	-	4,818
Customer deposits	-	-	-	-	-
Contracts payable	-	-	-	-	-
Other liabilities	516	-	-	78	36
Total liabilities	4,936	5,180	162	2,611	5,190
Deferred inflows of resources					
Unavailable revenue related to taxes, accounts receivable, and grants	27,322	-	-	-	912
Unavailable revenue related to leases	-	-	-	-	215
Total deferred inflows of resources	27,322	-	-	-	1,127
Fund balances					
Nonspendable	146	15	-	-	-
Restricted	13,239	666	3,322	20,526	-
Committed	-	-	-	-	41,035
Total fund balances	13,385	681	3,322	20,526	41,035
Total liabilities, deferred inflows, and fund balance	$ 45,643	$ 5,861	$ 3,484	$ 23,137	$ 47,352

Transportation	Management Improvement	Public Improvement Districts	Storm Water Operations	Municipal	General Citizen	Arts and Cultural	Total Nonmajor Special Revenue Funds
$ 33,681	$ 326,655	$ 1,686	$ 94,777	$ 46,673	$ 2,314	$ 5,303	$ 585,527
-	-	-	-	-	-	2,235	3,235
-	-	-	-	21,893	-	-	63,071
-	-	-	-	-	-	-	-
-	994	2,104	14,274	1,281	-	-	35,835
179	1,738	-	115	823	13	50	4,217
-	219	-	-	-	-	-	438
-	(637)	(261)	(7,575)	(3,118)	-	-	(41,410)
702	740	-	-	-	-	-	21,261
-	-	-	-	-	-	-	161
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
34,562	329,709	3,529	101,591	67,552	2,327	7,588	672,335
-	35	-	521	173	-	-	1,317
91	17,025	3,528	2,150	-	-	30	29,569
-	1	-	-	-	-	-	1
-	-	-	-	-	-	-	4,362
-	252,851	-	-	26	-	-	253,813
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	4,818
275	-	-	-	-	-	-	275
-	-	-	-	-	-	-	-
42	426	-	408	-	-	6	1,512
408	270,338	3,528	3,079	199	-	36	295,667
-	-	-	76	19,583	-	-	47,893
-	219	-	-	-	-	-	434
-	219	-	76	19,583	-	-	48,327
-	-	-	-	-	-	-	161
34,154	59,152	1	98,436	47,770	2,327	7,552	287,145
-	-	-	-	-	-	-	41,035
34,154	59,152	1	98,436	47,770	2,327	7,552	328,341
$ 34,562	$ 329,709	$ 3,529	$ 101,591	$ 67,552	$ 2,327	$ 7,588	$ 672,335

continued

CITY OF DALLAS, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (continued)
September 30, 2023
(in thousands)

	Capital Projects					Total Nonmajor Capital Project Funds
	Neighborhood Projects	Parks	Streets and Drainage	Building	Trans-portation	
Assets						
Pooled cash and cash equivalents	$ -	$ -	$ -	$ -	$ -	$ -
Other investments, at fair value	1	5	20,672	9	3	20,690
Receivables:						
Notes	1,657	-	-	1,500	-	3,157
Special assessments-paving notes	-	-	6,084	-	-	6,084
Accounts	42	-	-	226	-	268
Accrued interest	1,632	373	1,187	1,000	1,125	5,317
Leases	-	28,258	-	-	-	28,258
Allowance for uncollectible accounts	-	-	(4,677)	(1,500)	-	(6,177)
Due from other governments	-	3,302	-	4,578	12,863	20,743
Prepaid items	-	16,608	-	-	-	16,608
Restricted cash and cash equivalents	307,105	60,617	231,989	181,619	200,642	981,972
Notes receivable from other funds	-	-	4,161	-	-	4,161
Total assets	310,437	109,163	259,416	187,432	214,633	1,081,081
Liabilities, deferred inflows, and fund balances						
Liabilities						
Accrued payroll	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Due to other governments	-	-	-	-	-	-
Due to other funds	4,817	-	-	44	-	4,861
Unearned revenue	-	44	-	98	13,212	13,354
Construction accounts payable	167	1,292	5,196	1,561	8,613	16,829
Notes payable to other funds	4,491	-	-	-	-	4,491
Customer deposits	-	-	-	-	-	-
Contracts payable	31,557	7,377	16,022	11,469	5,452	71,877
Other liabilities	-	-	-	-	-	-
Total liabilities	41,032	8,713	21,218	13,172	27,277	111,412
Deferred inflows of resources						
Unavailable revenue related to taxes, receivable, and grants	1,657	-	1,389	-	-	3,046
Unavailable revenue related to leases	-	27,212	-	-	-	27,212
Total deferred inflows of resources	1,657	27,212	1,389	-	-	30,258
Fund balances						
Nonspendable	-	16,608	-	-	-	16,608
Restricted	267,748	56,630	236,809	174,260	187,356	922,803
Committed	-	-	-	-	-	-
Total fund balances	267,748	73,238	236,809	174,260	187,356	939,411
Total liabilities, deferred inflows, and fund balance	$ 310,437	$ 109,163	$ 259,416	$ 187,432	$ 214,633	$ 1,081,081

CITY OF DALLAS, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (continued)
September 30, 2023
(in thousands)

	Permanent Funds						
	Samuell Park	Grauwyler Memorial	Craddock Park	Martin Weiss Park	Hale Davis	Total Permanent Funds	Total Nonmajor Governmental Funds
Assets							
Pooled cash and cash equivalents	$ -	$ -	$ -	$ -	$ -	$ -	$ 585,527
Other investments, at fair value	7,920	140	1,291	124	376	9,851	33,776
Receivables:							
Notes	-	-	-	-	-	-	66,228
Special assessments-paving notes	-	-	-	-	-	-	6,084
Accounts	-	-	-	-	-	-	36,103
Accrued interest	-	-	-	-	-	-	9,534
Leases	-	-	-	-	-	-	28,696
Allowance for uncollectible accounts	-	-	-	-	-	-	(47,587)
Due from other governments	-	-	-	-	-	-	42,004
Prepaid items	-	-	-	-	-	-	16,769
Restricted cash and cash equivalents	-	-	-	-	-	-	981,972
Notes receivable from other funds	-	-	-	-	-	-	4,161
Total assets	7,920	140	1,291	124	376	9,851	1,763,267
Liabilities, deferred inflows, and fund balances							
Liabilities							
Accrued payroll	-	-	-	-	-	-	1,317
Accounts payable	-	-	-	-	-	-	29,569
Due to other governments	-	-	-	-	-	-	1
Due to other funds	-	-	-	-	-	-	9,223
Unearned revenue	-	-	-	-	-	-	267,167
Construction accounts payable	-	-	-	-	-	-	16,829
Notes payable to other funds	-	-	-	-	-	-	9,309
Customer deposits	-	-	-	-	-	-	275
Contracts payable	-	-	-	-	-	-	71,877
Other liabilities	-	-	-	-	-	-	1,512
Total liabilities	-	-	-	-	-	-	407,079
Deferred inflows of resources							
Unavailable revenue related to taxes, accounts receivable, and grants	-	-	-	-	-	-	- 50,939
Unavailable revenue related to leases	-	-	-	-	-	-	27,646
Total deferred inflows of resources	-	-	-	-	-	-	78,585
Fund balances							
Nonspendable	7,920	140	1,291	124	376	9,851	26,620
Restricted	-	-	-	-	-	-	1,209,948
Committed	-	-	-	-	-	-	41,035
Total fund balances	7,920	140	1,291	124	376	9,851	1,277,603
Total liabilities, deferred inflows, and fund balance	$ 7,920	$ 140	$ 1,291	$ 124	$ 376	$ 9,851	$ 1,763,267

CITY OF DALLAS, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2023
(in thousands)

	Special Revenue				
	Community Development	Health and Human Services	Library	Police	Recreation
Revenues:					
Ad valorem tax	$ -	$ -	$ -	$ -	$ -
Tax increment financing, intergovernmental	-	-	-	-	-
Franchise fees	-	-	-	-	-
Licenses and permits	-	-	-	-	4,251
Intergovernmental	44,015	17,548	30	13,221	108
Customer charges	-	-	-	-	-
Service to others	726	-	7	13,539	5,268
Fines and forfeitures	-	24	-	325	-
Investment income (loss)	229	12	104	456	1,309
Special assessments	-	-	-	-	-
Contributions and gifts	5,549	198	388	11	1,218
Confiscated money awards	-	-	-	4,079	-
Other revenues	3	-	-	-	-
Total revenues	50,522	17,782	529	31,631	12,154
Expenditures:					
Current					
General government	14,855	-	-	-	-
Public safety	-	-	-	22,462	-
Environmental and health services	-	15,911	-	-	-
Streets, public works, and transportation	-	-	-	-	-
Equipment and building services	-	-	-	-	-
Culture and recreation	635	-	111	-	13,518
Human services	31,084	-	-	-	-
Debt service:					
Principal	623	1,289	-	165	-
Interest and fiscal charges	261	51	-	14	209
Capital outlay	717	925	380	3,289	3,159
Total expenditures	48,175	18,176	491	25,930	16,886
Excess (deficiency) of revenues over (under) expenditures	2,347	(394)	38	5,701	(4,732)
Other financing sources (uses):					
Transfers in	500	-	90	8,410	5,953
Transfers out	-	-	-	(341)	-
Premium on bonds issued	-	-	-	-	-
Issuance of certificates of obligation	-	-	-	-	-
Issuance of general obligation bonds	-	-	-	-	-
Inception of capital lease	-	539	-	-	-
Proceeds of financed purchases	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-
Issuance of commercial paper notes	-	-	-	-	-
Total other financing sources (uses)	500	539	90	8,069	5,953
Net change in fund balances	2,847	145	128	13,770	1,221
Fund balances, beginning of year	10,538	536	3,194	6,756	39,814
Fund balances, end of year	$ 13,385	$ 681	$ 3,322	$ 20,526	$ 41,035

Transportation	Management Improvement	Public Improvement Districts	Storm Water Operations	Municipal	General Citizen	Arts and Cultural	Total Nonmajor Special Revenue Funds
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	53	-	-	-	4,304
1,223	102,606	-	-	468	-	-	179,219
-	-	-	-	-	-	-	-
1,688	1,958	-	75,551	6,054	119	512	105,422
-	744	-	-	-	-	-	1,093
650	10,508	39	846	1,069	73	214	15,509
-	-	42,259	-	-	-	-	42,259
506	1,186	-	-	64	46	-	9,166
-	-	-	-	-	-	-	4,079
-	-	-	2	114	-	-	119
4,067	117,002	42,298	76,452	7,769	238	726	361,170
-	26,032	42,645	52,141	6,689	423	-	142,785
-	41,786	-	-	-	-	-	64,248
-	-	-	-	-	-	-	15,911
2,095	2,559	-	-	-	-	-	4,654
-	1,490	-	-	-	-	-	1,490
-	-	-	-	-	-	169	14,433
-	1,736	-	-	-	-	-	32,820
							-
-	772	-	112	-	-	-	2,961
-	74	-	9	-	-	-	618
1,305	36,734	-	8,355	-	-	-	54,864
3,400	111,183	42,645	60,617	6,689	423	169	334,784
667	5,819	(347)	15,835	1,080	(185)	557	26,386
11,960	9,522	-	-	8,513	-	-	44,948
(1,539)	(282)	-	(2,272)	(751)	-	-	(5,185)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	539
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
10,421	9,240	-	(2,272)	7,762	-	-	40,302
11,088	15,059	(347)	13,563	8,842	(185)	557	66,688
23,066	44,093	348	84,873	38,928	2,512	6,995	261,653
$ 34,154	$ 59,152	$ 1	$ 98,436	$ 47,770	$ 2,327	$ 7,552	$ 328,341

continued

CITY OF DALLAS, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (continued)
For the Year Ended September 30, 2023
(in thousands)

	Capital Projects			
	Neighborhood Projects	Parks	Streets and Drainage	Building
Revenues:				
Ad valorem tax	$ 118,714	$ -	$ -	$ -
Tax increment financing, intergovernmental	12,275	-	-	-
Franchise fees	-	-	13,112	-
Licenses and permits	-	-	-	-
Intergovernmental	-	7,608	-	2,896
Customer charges	-	-	-	-
Service to others	547	3,115	263	-
Fines and forfeitures	-	-	-	-
Investment income (loss)	6,260	1,356	2,386	6,746
Special assessments	-	-	-	-
Contributions and gifts	31,378	4,561	6,223	-
Confiscated money awards	-	-	-	-
Other revenues	-	-	2,302	369
Total revenues	169,174	16,640	24,286	10,011
Expenditures:				
Current				
General government	100,102	-	-	8,464
Public safety	-	-	-	224
Environmental and health services	-	-	-	-
Streets, public works, and transportation	-	-	78,793	8,899
Equipment and building services	-	-	-	718
Culture and recreation	-	8,948	-	178
Human services	-	-	-	-
Debt service:				
Principal	-	-	535	-
Interest and fiscal charges	76	170	1,102	342
Capital outlay	5,067	45,484	74,829	87,659
Total expenditures	105,245	54,602	155,259	106,484
Excess (deficiency) of revenues over (under) expenditures	63,929	(37,962)	(130,973)	(96,473)
Other financing sources (uses):				
Transfers in	-	31,808	15,908	-
Transfers out	(18,552)	-	(6,500)	(8,732)
Premium on bonds issued	2,208	4,947	30,276	7,845
Issuance of certificates of obligation	-	-	-	55,185
Issuance of equipment acquisition notes	-	-	-	71,600
Issuance of general obligation bonds	17,062	38,236	233,994	13,208
Inception of lease	-	-	-	-
Proceeds of financed purchases	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Issuance of commercial paper notes	-	5,490	-	7,730
Total other financing sources (uses)	718	80,481	273,678	146,836
Net change in fund balance	64,647	42,519	142,705	50,363
Fund balances, beginning of year	203,101	30,719	94,104	123,897
Fund balances, end of year	$ 267,748	$ 73,238	$ 236,809	$ 174,260

Trans-portation	Total Nonmajor Capital Project Funds
$ -	$ 118,714
-	12,275
-	13,112
-	-
4,363	14,867
-	-
-	3,925
-	-
6,145	22,893
-	-
-	42,162
-	-
-	2,671
10,508	230,619
-	108,566
-	224
-	-
1,465	89,157
-	718
-	9,126
-	-
-	535
99	1,789
39,789	252,828
41,353	462,943
(30,845)	(232,324)
-	47,716
-	(33,784)
2,875	48,151
-	55,185
-	71,600
22,220	324,720
-	-
-	-
-	-
-	13,220
25,095	526,808
(5,750)	294,484
193,106	644,927
$ 187,356	$ 939,411

continued

CITY OF DALLAS, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (continued)
For the Year Ended September 30, 2023
(in thousands)

	Permanent Funds		
	Samuell Park	Grauwyler Memorial	Craddock Park
Revenues:			
Ad valorem tax	$ -	$ -	$ -
Tax increment financing, intergovernmental	-	-	-
Franchise fees	-	-	-
Licenses and permits	-	-	-
Intergovernmental	-	-	-
Service to others	-	-	-
Fines and forfeits	-	-	-
Investment income (loss)	967	15	140
Special assessments	-	-	-
Contributions and gifts	-	-	-
Confiscated money awards	-	-	-
Other revenues	-	-	-
Total revenues	967	15	140
Expenditures:			
Current			
General government	-	-	-
Public safety	-	-	-
Environment and health services	-	-	-
Streets, public works, and transportation	-	-	-
Equipment and building services	-	-	-
Culture and recreation	-	-	-
Human services	-	-	-
Debt service:			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Capital outlay	-	-	-
Total expenditures	-	-	-
Excess (deficiency) of revenues over (under) expenditures	967	15	140
Other financing sources (uses):			
Transfers in	-	-	-
Transfers out	(547)	-	-
Premium on bonds issued	-	-	-
Issuance of certificates of obligation	-	-	-
Issuance of equipment acquisition notes	-	-	-
Issuance of general obligation bonds	-	-	-
Inception of capital lease	-	-	-
Proceeds of financed purchases	-	-	-
Proceeds from sale of capital assets	-	-	-
Issuance of commercial paper notes	-	-	-
Total other financing sources (uses)	(547)	-	-
Net change in fund balances	420	15	140
Fund balances, beginning of year	7,500	125	1,151
Fund balances, end of year	$ 7,920	$ 140	$ 1,291

Martin Weiss Park	Hale Davis	Total Permanent Funds	Total Nonmajor Governmental Funds
$ -	$ -	$ -	$ 118,714
-	-	-	12,275
-	-	-	13,112
-	-	-	4,304
-	-	-	194,086
-	-	-	109,347
-	-	-	1,093
13	42	1,177	39,579
-	-	-	42,259
-	-	-	51,328
-	-	-	4,079
-	-	-	2,790
13	42	1,177	592,966
-	-	-	251,351
-	-	-	64,472
-	-	-	15,911
-	-	-	93,811
-	-	-	2,208
-	-	-	23,559
-	-	-	32,820
-	-	-	3,496
-	-	-	2,407
-	-	-	307,692
-	-	-	797,727
13	42	1,177	(204,761)
-	-	-	92,664
-	(13)	(560)	(39,529)
-	-	-	48,151
-	-	-	55,185
-	-	-	71,600
-	-	-	324,720
-	-	-	539
-	-	-	-
-	-	-	-
-	-	-	13,220
-	(13)	(560)	566,550
13	29	617	361,789
111	347	9,234	915,814
$ 124	$ 376	$ 9,851	$ 1,277,603

NONMAJOR ENTERPRISE FUNDS

To account for operations which are financed and operated in a manner similar to private business enterprise.

Municipal Radio – to account for City-owned radio broadcast services.

Building Inspection – to account for construction inspection services within the Dallas city limits.

CITY OF DALLAS, TEXAS
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
September 30, 2023
(in thousands)

	Municipal Radio	Building Inspection	Total Nonmajor Enterprise Funds
Assets			
Current assets:			
Pooled cash and cash equivalents	$ 67	$ 43,995	$ 44,062
Receivables:			
Accounts	150	62	212
Accrued interest	1	243	244
Prepaid Expense	-	1,093	1,093
Total current assets	218	45,393	45,611
Capital assets:			
Nondepreciable	-	9,041	9,041
Depreciable, net of accumulated depreciation	478	10,756	11,234
Right-to-use assets, net of amortization	1,217	1,670	2,887
Total capital assets	1,695	21,467	23,162
Total assets	1,913	66,860	68,773
Deferred outflows of resources			
Deferred loss on refunding	-	2	2
Deferred outflows of resources related to pensions	1,813	55,131	56,944
Deferred outflows of resources related to other postemployment benefits	6	170	176
Total deferred outflows of resources	1,819	55,303	57,122
Liabilities			
Current liabilities:			
Accrued payroll	3	783	786
Accounts payable	17	2,828	2,845
Compensated absences	3	1,124	1,127
Other postemployment benefits	1	268	269
Pension obligation bonds - current	153	1,126	1,279
Other liabilities	3	3,509	3,512
Unearned revenue	-	8,369	8,369
Accrued bond interest payable	3	13	16
Leases	164	391	555
Total current liabilities	347	18,411	18,758
Noncurrent liabilities:			
Accreted interest on pension obligation bonds	865	6,347	7,212
Pension obligation bonds	795	5,412	6,207
Leases	1,112	1,319	2,431
Total long-term debt	2,772	13,078	15,850
Other noncurrent liabilities			
Compensated absences	4	1,195	1,199
Other postemployment benefits	116	3,790	3,906
Net pension liability	6,581	109,065	115,646
Total other noncurrent liabilities	6,701	114,050	120,751
Total long-term liabilities	9,473	127,128	136,601
Total liabilities	9,820	145,539	155,359
Deferred inflows of resources			
Deferred inflows of resources related to pensions	1,071	29,611	30,682
Deferred inflows of resources related to other postemployment benefits	43	1,620	1,663
Total deferred inflows of resources	1,114	31,231	32,345
Net position			
Net investment in capital assets	419	19,757	20,176
Unrestricted (deficit)	(7,621)	(74,364)	(81,985)
Total net position (deficit)	$ (7,202)	$ (54,607)	$ (61,809)

CITY OF DALLAS, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
For the Year Ended September 30, 2023
(in thousands)

	Municipal Radio	Building Inspection	Total Nonmajor Enterprise Funds
Operating revenues:			
Customer charges	$ 566	$ 38,488	$ 39,054
Other revenues	-	151	151
Total operating revenues	566	38,639	39,205
Operating expenses:			
Personnel services	898	37,446	38,344
Supplies and materials	48	900	948
Contractual and other services	238	15,873	16,111
Depreciation and amortization	259	842	1,101
Total operating expenses	1,443	55,061	56,504
Operating income (loss)	(877)	(16,422)	(17,299)
Nonoperating revenues (expenses):			
Investment Income	11	1,850	1,861
Interest on bonds and notes	(111)	(758)	(869)
Total nonoperating revenues (expenses)	(100)	1,092	992
Loss before contributions and transfers	(977)	(15,330)	(16,307)
Transfers in	15	-	15
Transfers out	-	(871)	(871)
Change in net position	(962)	(16,201)	(17,163)
Net position (deficit), beginning of year	(6,240)	(38,406)	(44,646)
Net position (deficit), end of year	$ (7,202)	$ (54,607)	$ (61,809)

CITY OF DALLAS, TEXAS
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
For the Year Ended September 30, 2023
(in thousands)

	Municipal Radio	Building Inspection	Total Nonmajor Enterprise Funds
Cash flows from operating activities:			
Cash received from customers	$ 751	$ 38,486	$ 39,237
Cash payments to suppliers for goods and services	(55)	(900)	(955)
Cash payments to employees for services	(392)	(26,260)	(26,652)
Cash payments for contractual services	(240)	(15,089)	(15,329)
Other operating cash receipts (payments)	-	151	151
Net cash provided by (used in) operating activities	64	(3,612)	(3,548)
Cash flows from non capital financing activities:			
Principal paid on pension obligation bonds	(148)	(1,077)	(1,225)
Interest paid on pension obligation bonds	(13)	(92)	(105)
Transfers from other funds	15	-	15
Transfers to other funds	-	(871)	(871)
Net cash provided by (used in) non capital financing activities	(146)	(2,040)	(2,186)
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	-	(3,822)	(3,822)
Principal paid on notes payable and other obligations	(156)	(429)	(585)
Interest paid on bonds, notes and other obligations	(16)	(64)	(80)
Net cash provided by (used in) capital and related financing activities	(172)	(4,315)	(4,487)
Cash flows from investing activities:			
Investment Income	11	1,723	1,734
Net cash provided by (used in) investing activities	11	1,723	1,734
Net increase (decrease) in cash and cash equivalents	(243)	(8,244)	(8,487)
Cash and cash equivalents, beginning of year	310	52,239	52,549
Cash and cash equivalents, end of year	$ 67	$ 43,995	$ 44,062
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
Operating income (loss)	$ (877)	$ (16,422)	$ (17,299)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation and amortization	259	842	1,101
Change in assets and liabilities			
(Increase) Decrease in accounts and other receivables	199	(2)	197
(Increase) Decrease in prepaid expenses	-	(1,093)	(1,093)
(Increase) Decrease in deferred outflows for other postemployment benefits	11	661	672
(Increase) Decrease in deferred outflows for pension contributions	(1,172)	(38,319)	(39,491)
Increase (Decrease) in accounts payable	(7)	1,661	1,654
Increase (Decrease) in accrued payroll	(14)	71	57
Increase (Decrease) in compensated absences	(60)	120	60
Increase (Decrease) in allowance for uncollectibles	(14)	-	(14)
Increase (Decrease) in other post employment benefits	(1)	(555)	(556)
Increase (Decrease) in net pension liability	2,656	73,727	76,383
Increase (Decrease) in other liabilities	(2)	216	214
Increase (Decrease) in deferred inflows for other postemployment benefits	(19)	(295)	(314)
Increase (Decrease) in deferred inflows for pension contributions	(895)	(24,224)	(25,119)
Total adjustments	941	12,810	13,751
Net cash provided by (used in) operating activities	$ 64	$ (3,612)	$ (3,548)
Current Assets:			
Pooled cash and cash equivalents	$ 67	$ 43,995	$ 44,062
Total cash and cash equivalents end of year	$ 67	$ 43,995	$ 44,062
Noncash investing, capital, and financing activities:			
Premium/discount amortization	$ (25)	$ (185)	$ (210)
Accretion on capital appreciation bonds	106	780	886
Amortization of deferred gain/loss on refunding	(1)	(8)	(9)
Right-to-use assets acquired through lease and SBITA liabilities	-	487	487
Lease and SBITA liabilities incurred as a result of acquiring right-to-use assets	-	(487)	(487)

INTERNAL SERVICE FUNDS

Equipment Services Fund – to account for the cost of providing vehicles, vehicle maintenance, and fuel and lubrication to other City departments.

Communication Equipment Services Fund – to account for the cost of providing communication services to other City Departments.

Office Systems Fund – to account for the cost of providing office supplies, printing, copying, and mailing services to other City Departments.

Information Systems Fund – to account for the cost of providing data processing and programming services to other City departments.

Risk Funds – to account for the cost of providing risk financing and insurance-related activities to other City departments.

Bond Program Administration Fund – to account for the cost of managing the City's general obligation bond program.

CITY OF DALLAS, TEXAS
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
September 30, 2023

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	Equipment Services	Communication Equipment Services	Office Services	Information Systems	Risk Funds	Bond Program Administration	Total
Assets							
Current assets:							
Pooled cash and cash equivalents	$ 12,536	$ 6,630	$ 6,578	$ 69,951	$ 66,798	$ 672	$ 163,165
Receivables:							
Accounts	-	1	-	39	2,654	-	2,694
Accrued interest	5	29	32	265	330	-	661
Inventories, at cost	4,816	260	185	-	-	-	5,261
Total current assets	17,357	6,920	6,795	70,255	69,782	672	171,781
Capital assets:							
Nondepreciable	1,696	-	-	-	-	-	1,696
Depreciable, net of accumulated depreciation	11,118	804	-	6,316	-	114	18,352
Right-to-use assets, net of amortization	-	34,577	765	25,702	-	-	61,044
Total capital assets	12,814	35,381	765	32,018	-	114	81,092
Total assets	30,171	42,301	7,560	102,273	69,782	786	252,873
Deferred outflows of resources							
Deferred outflows of resources related to pensions	38,473	5,342	1,256	47,151	12,651	34,548	139,421
Deferred outflows of resources related to other postemployment benefits	131	-	3	89	21	89	333
Total deferred outflows of resources	38,604	5,342	1,259	47,240	12,672	34,637	139,754
Liabilities							
Current liabilities:							
Accrued payroll	530	74	19	624	178	418	1,843
Accounts payable	5,798	47	500	7,101	5,664	252	19,362
Accrued interest payable	-	732	-	401	-	-	1,133
Compensated absences	727	100	31	1,236	287	695	3,076
Other postemployement benefits	200	23	8	155	55	115	556
Estimated unpaid health claims	-	-	-	-	11,530	-	11,530
Estimated unpaid claims - general	-	-	-	-	61,945	-	61,945
Workers' compensation	-	-	-	-	9,010	-	9,010
Leases payable	-	3,045	77	1,242	-	-	4,364
SBITA payable	-	-	-	5,139	-	-	5,139
Other liabilities	-	-	2	-	6,922	-	6,924
Total current liabilities	7,255	4,021	637	15,898	95,591	1,480	124,882
Noncurrent liabilities:							
Estimated unpaid claims - general	-	-	-	-	7,558	-	7,558
Workers' compensation	-	-	-	-	50,736	-	50,736
Compensated absences	774	106	33	1,314	305	740	3,272
Other postemployment benefits	4,399	130	63	2,851	756	1,793	9,992
Net pension liability	87,652	10,798	3,010	91,247	19,138	49,484	261,329
Leases	-	31,579	710	1,983	-	-	34,272
SBITA	-	-	-	13,675	-	-	13,675
Total noncurrent liabilities	92,825	42,613	3,816	111,070	78,493	52,017	380,834
Total liabilities	100,080	46,634	4,453	126,968	174,084	53,497	505,716
Deferred inflows of resources							
Deferred inflows of resources related to pensions	20,045	2,759	730	25,939	5,927	17,215	72,615
Deferred inflows of resources related to other postemployment benefits	1,347	121	46	988	310	724	3,536
Total deferred inflows of resources	21,392	2,880	776	26,927	6,237	17,939	76,151
Net position							
Net investment in capital assets	12,814	757	(22)	9,979	-	114	23,642
Unrestricted (deficit)	(65,511)	(2,628)	3,612	(14,361)	(97,867)	(36,127)	(212,882)
Total net position (deficit)	$ (52,697)	$ (1,871)	$ 3,590	$ (4,382)	$ (97,867)	$ (36,013)	$ (189,240)

CITY OF DALLAS, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2023
(in thousands)

	Equipment Services	Communication Equipment Services	Office Services	Information Systems	Risk Funds	Bond Program Administration	Total
Operating revenues							
Charges to other city departments	$ 63,557	$ 15,209	$ 2,740	$ 109,296	$ 164,743	$ 18,617	$ 374,162
Charges to employees/retirees	-	-	-	1	49,641	62	49,704
Other revenues	930	-	160	5	5,407	-	6,502
Total operating revenues	64,487	15,209	2,900	109,302	219,791	18,679	430,368
Operating expenses							
Personnel services	27,503	3,583	842	30,327	25,800	19,151	107,206
Supplies and materials	32,899	344	1,895	1,166	17	422	36,743
Contractual and other services	16,975	1,523	-	59,658	213,435	3,805	295,396
Depreciation and amortization	3,504	3,288	89	11,396	-	11	18,288
Total operating expenses	80,881	8,738	2,826	102,547	239,252	23,389	457,633
Operating income (loss)	(16,394)	6,471	74	6,755	(19,461)	(4,710)	(27,265)
Nonoperating revenues (expenses):							
Investment loss	44	66	173	1,271	2,865	-	3,211
Interest on bonds, notes, and leases	-	(754)	(11)	(443)	-	-	-
Gain (loss) on property disposals	576	-	-	-	-	-	576
Total nonoperating revenues (expenses)	620	(688)	162	828	2,865	-	3,787
Income (loss) before transfers	(15,774)	5,783	236	7,583	(16,596)	(4,710)	(23,478)
Transfers							
Transfers in	800	2,997	-	9,861	6,111	-	19,769
Transfers out	(2,270)	(7,146)	(165)	(7,702)	(11,012)	(2)	(28,297)
Total transfers	(1,470)	(4,149)	(165)	2,159	(4,901)	(2)	(8,528)
Change in net position	(17,244)	1,634	71	9,742	(21,497)	(4,712)	(32,006)
Net position (deficit), beginning of year	(35,453)	(3,505)	3,519	(14,124)	(76,370)	(31,301)	(157,234)
Net position (deficit), end of year	$ (52,697)	$ (1,871)	$ 3,590	$ (4,382)	$ (97,867)	$ (36,013)	$ (189,240)

CITY OF DALLAS, TEXAS
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2023
(in thousands)

	Equipment Services	Communication Equipment Services	Office Services	Information Systems	Risk Funds	Bond Program Administration	Total
Cash flows from operating activities:							
Cash received from customers	$ 63,557	$ 15,208	$ 2,740	$ 109,297	$ 212,213	$ 18,679	$ 421,694
Cash payments to suppliers for goods and services	(31,234)	(372)	(1,539)	(1,166)	(17)	(404)	(34,732)
Cash payments to employees for services	(18,798)	(2,545)	(591)	(20,753)	(16,875)	(14,427)	(73,989)
Cash payments for contractual services	(16,975)	(1,637)	-	(56,880)	(200,848)	(3,805)	(280,145)
Other operating cash receipts (payments)	930	-	160	5	5,407	-	6,502
Net cash provided by (used in) operating activities	(2,520)	10,654	770	30,503	(120)	43	39,330
Cash flows from non capital financing activities:							
Transfers from other funds	800	2,997	-	9,861	6,111	-	19,769
Transfers to other funds	(2,270)	(7,146)	(165)	(7,702)	(11,012)	(2)	(28,297)
Net cash provided by (used in) non capital financing activities	(1,470)	(4,149)	(165)	2,159	(4,901)	(2)	(8,528)
Cash flows from capital and related financing activities:							
Acquisition and construction of capital assets	(674)	(169)	-	(4,332)	-	-	(5,175)
Proceeds from sale of capital assets	576	-	-	-	-	-	576
Principal paid on notes payable and other obligations	-	(3,168)	(73)	(14,576)	-	-	(17,817)
Interest paid on bonds, notes and other obligations	-	(23)	(11)	(42)	-	-	(76)
Net cash provided by (used in) capital and related financing activities	(98)	(3,360)	(84)	(18,950)	-	-	(22,492)
Cash flows from investing activities:							
Investment Income	39	38	150	1,069	2,714	-	4,010
Net cash provided by (used in) investing activities	39	38	150	1,069	2,714	-	4,010
Net increase (decrease) in cash and cash equivalents	(4,049)	3,183	671	14,781	(2,307)	41	12,320
Cash and cash equivalents, beginning of year	16,585	3,447	5,907	55,170	69,105	631	150,845
Cash and cash equivalents, end of year	$ 12,536	$ 6,630	$ 6,578	$ 69,951	$ 66,798	$ 672	$ 163,165
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:							
Operating income (loss)	$ (16,394)	$ 6,471	$ 74	$ 6,755	$ (19,461)	$ (4,710)	$ (27,265)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:							
Depreciation and amortization	3,504	3,288	89	11,396	-	11	18,288
Change in assets and liabilities							
(Increase) Decrease in accounts and other receivables	-	(1)	-	-	(2,171)	-	(2,172)
(Increase) Decrease in inventories	(539)	(28)	(20)	-	-	-	(587)
(Increase) Decrease in other asset	-	-	-	-	885	-	885
(Increase) Decrease in deferred outflows for other postemployment benefits	321	39	10	238	66	197	871
(Increase) Decrease in deferred outflows for pension contributions	(27,228)	(3,950)	(861)	(32,760)	(9,151)	(24,139)	(98,089)
Increase (Decrease) in accounts payable	2,204	(114)	376	2,778	3,659	18	8,921
Increase (Decrease) in accrued payroll	22	1	2	37	26	22	110
Increase (Decrease) in due to other governments	-	-	2	-	-	-	2
Increase (Decrease) in compensated absences	75	21	4	124	92	(25)	291
Increase (Decrease) in other post employment benefits	(215)	(46)	(8)	(164)	(59)	(123)	(615)
Increase (Decrease) in estimated unpaid health claims	-	-	-	-	1,648	-	1,648
Increase (Decrease) in estimated unpaid claims - general	-	-	-	-	7,313	-	7,313
Increase (Decrease) in workers' compensation	-	-	-	-	5,008	-	5,008
Increase (Decrease) in net pension liability	52,384	7,224	1,723	63,417	16,178	42,968	183,894
Increase (Decrease) in other liabilities	-	-	-	-	730	-	730
Increase (Decrease) in deferred inflows for other postemployment benefits	(279)	(17)	(8)	(196)	(47)	(162)	(709)
Increase (Decrease) in deferred inflows for pension contributions	(16,375)	(2,234)	(613)	(21,122)	(4,836)	(14,014)	(59,194)
Total adjustments	13,874	4,183	696	23,748	19,341	4,753	66,595
Net cash provided by (used in) operating activities	$ (2,520)	$ 10,654	$ 770	$ 30,503	$ (120)	$ 43	$ 39,330
Noncash investing, capital, and financing activities:							
Right-to-use assets acquired through lease and SBITA liabilities	$ -	$ 36,036	$ -	$ 13,514	$ -	$ -	$ 49,550
Lease and SBITA liabilities incurred as a result of acquiring right-to-use assets	-	(36,036)	-	(13,514)	-	-	(49,550)

FIDUCIARY FUNDS

Pension Trust Funds - to account for the activities of three defined benefit plans and three deferred compensation plans. The defined benefit plans include the Employees' Retirement System, Police and Fire Pension System, and Supplemental Police and Fire Pension Plan. The three contributory defined benefit plans are used to accumulate resources for pension benefits payments to qualified employees. The deferred compensation plans include the 401(k) Retirement Plan, 457 Deferred Compensation Plan, and 457 Deferred Compensation Plan for Part-time, Seasonal, Temporary Employees, and City Councilmembers. The City does not make contributions for the deferred compensations plans; however, qualified individuals make contributions to accumulate resources for their retirement.

Custodial Funds - to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds. The three custodial funds include confiscated money, unclaimed property, and municipal court funds collected for other agencies).

CITY OF DALLAS, TEXAS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS
September 30, 2023 (1)
(in thousands)

	Employees' Retirement Fund (1)	Dallas Police & Fire Pension System (1)	Police & Fire Supplemental Pension Fund (1)	401K Retirement Fund (1)	457 Deferred Compensation Plan (1)	457 (PST) Deferred Compensation Plan (1)	Total Pension Trust Funds (1)
Assets							
Cash and cash equivalents	$ 109,754	$ 74,597	$ 689	$ -	$ -	$ -	$ 185,040
Invested securities lending collateral	342,361	-	-	-	-	-	342,361
Receivables:							
Accounts	299,543	8,144	19	630	697	6	309,039
Accrued interest and dividends	15,053	3,754	35	-	-	-	18,842
Notes Receivable-DC Member	-	-	-	12,555	14,430	-	26,985
Investments /Participants	-	-	-	359,971	382,133	4,538	746,642
Short-term investments	-	14,755	136	-	-	-	14,891
Equity securities	-	819,431	7,564	-	-	-	826,995
Domestic equities	1,327,609	-	-	-	-	-	1,327,609
U.S. and foreign government fixed income securities	244,514	318,424	2,939	-	-	-	565,877
Domestic corporate fixed income	650,083	-	-	-	-	-	650,083
International equities and fixed income	383,318	-	-	-	-	-	383,318
Commingled index funds	93,082	-	-	-	-	-	93,082
Real assets	346,345	344,739	3,182	-	-	-	694,266
Private equities and venture capital funds	381,814	217,177	2,005	-	-	-	600,996
Forward currency contracts	-	-	-	-	-	-	-
Prepaid expenses	-	399	4	-	-	-	403
Capital assets, net	6,232	11,500	106	-	-	-	17,838
Total assets	4,199,708	1,812,920	16,679	373,156	397,260	4,544	6,804,267
Liabilities							
Accounts payable	10,872	5,224	29	-	-	-	16,125
Payable for securities purchased	46,569	1,129	10	-	-	-	47,708
Securities lending collateral	342,361	-	-	-	-	-	342,361
Other liabilities	283,626	-	-	-	-	-	283,626
Total liabilities	683,428	6,353	39	-	-	-	689,820
Net Position							
Net investment in capital assets	6,232	-	-	-	-	-	6,232
Restricted for pensions	3,510,048	1,806,567	16,640	373,156	397,260	4,544	6,108,215
Total net position	$ 3,516,280	$ 1,806,567	$ 16,640	$ 373,156	$ 397,260	$ 4,544	$ 6,114,447

(1) Although the City has a fiscal year-end of September 30, 2023 the pension trust funds have a calendar year-end; therefore, the information presented above is as of December 31, 2022.

CITY OF DALLAS, TEXAS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS
For the Year Ended September 30, 2023
(in thousands)

	Employees' Retirement Fund (1)	Dallas Police & Fire Pension System (1)	Police & Fire Supplemental Pension Fund (1)	401K Retirement Fund (1)	457 Deferred Compensation Plan (1)	457 (PST) Deferred Compensation Plan (1)	Total Pension Trust Funds (1)
Additions:							
Contributions							
Employer	$ 67,288	$ 169,911	$ 2,807	$ -	$ -	$ -	$ 240,006
Employee	63,427	59,707	256	27,987	26,849	638	178,864
Total contributions	130,715	229,618	3,063	27,987	26,849	638	418,870
Net investment income:							
Interest and dividends	114,164	21,233	196	19,732	23,742	62	179,129
Net appreciation (depreciation) in fair value of investments	(464,890)	(255,777)	(2,319)	(94,621)	(106,853)	-	(924,460)
Securities lending income	1,349	-	-	-	-	-	1,349
Less investment expenses:							
Investment management fees	(18,724)	(8,643)	(80)	-	-	-	(27,447)
Custody fees	(112)	-	-	-	-	-	(112)
Consultant fees	(516)	-	-	-	-	-	(516)
Securities lending management fees	(269)	-	-	-	-	-	(269)
Total investment expenses	(19,621)	(8,643)	(80)	-	-	-	(28,344)
Net investment income	(368,998)	(243,187)	(2,203)	(74,889)	(83,111)	62	(772,326)
Other income(expense)	(760)	2,296	21	-	-	-	1,557
Total additions	(239,043)	(11,273)	881	(46,902)	(56,262)	700	(351,899)
Deductions:							
Benefit payments	317,528	329,188	2,843	-	-	-	649,559
Refund of contributions	12,158	4,450	-	-	-	-	16,608
Administrative expenses	8,206	6,362	58	6,020	9,552	1	30,199
Withdrawals-deferred compensation participants	-	-	-	31,421	31,725	397	63,543
Total deductions	337,892	340,000	2,901	37,441	41,277	398	759,909
Net increase (decrease) in net position available for benefits	(576,935)	(351,273)	(2,020)	(84,343)	(97,539)	302	(1,111,808)
Net position, beginning of year	4,093,215	2,157,840	18,660	457,499	494,799	4,242	7,226,255
Net position, end of year	$ 3,516,280	$ 1,806,567	$ 16,640	$ 373,156	$ 397,260	$ 4,544	$ 6,114,447

(1) Although the City has a fiscal year-end of September 30, 2023, the pension trust funds have a calendar year-end; therefore, the information presented above is as of December 31, 2022.

CITY OF DALLAS, TEXAS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
September 30, 2023
(in thousands)

	Confiscated Money	Unclaimed Property	Municipal Court	Total
Assets				
Cash and cash equivalents	$ 2,578	$ 6,861	$ 27	$ 9,466
Receivables:				
Accounts	-	-	-	-
Total assets	2,578	6,861	27	9,466
Liabilities				
Accounts payable	37	-	22	59
Total liabilities	37	-	22	59
Net Position				
Restricted	2,541	6,861	5	9,407
Total net position	$ 2,541	$ 6,861	$ 5	$ 9,407

CITY OF DALLAS, TEXAS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
For the Year Ended September 30, 2023
(in thousands)

	Confiscated Money	Unclaimed Property	Municipal Court	Totals
Additions:				
Confiscated money receipts	$ 2,024	$ -	$ -	$ 2,024
Unclaimed property receipts	-	810	-	810
Muncipal court receipts for other jurisdictions	-	-	119	119
Investment Income	68	-	-	68
Other income	-	-	-	-
Total additions	2,092	810	119	3,021
Deductions:				
Confiscated money payments	2,708	-	-	2,708
Unclaimed property payments	-	1,035	-	1,035
Municipal court payments to other jurisdictions	-	-	117	117
Total deductions	2,708	1,035	117	3,860
Net increase (decrease) in net position	(616)	(225)	2	(839)
Net position, beginning of year, as previously reported	3,157	7,086	3	10,246
Net position, end of year	$ 2,541	$ 6,861	$ 5	$ 9,407

DEBT SERVICE FUND

The City maintains one fund to account for payment of principal and interest on the following general obligation debt: bonds, certificates of obligation, and equipment acquisition notes.

CITY OF DALLAS, TEXAS
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
Year Ended September 30, 2023
(in thousands)

	Budgeted Amounts		Actual Budget Basis	Variance with Final Budget-- Positive (Negative)
	Original	Final		
Revenues:				
Ad valorem taxes	$ 365,671	$ 365,671	$ 364,067	$ (1,604)
Insurance recovery	8,000	8,000	-	(8,000)
"Build American Bonds" Federal Subsidy	990	990	1,002	12
Investment income	200	200	4,714	4,514
Total revenues	374,861	374,861	369,783	(5,078)
Expenditures:				
Principal	254,675	254,675	310,753	(56,078)
Interest and fiscal charges	124,793	124,793	82,709	42,084
Other	32,847	32,847	32,703	144
Total expenditures	412,315	412,315	426,165	(13,850)
Deficiency of revenues over expenditures	(37,454)	(37,454)	(56,382)	(18,928)
Other financing sources:				
Transfers	33,437	33,437	10,260	(23,177)
General obligation bonds and premium issued	-	-	62,866	62,866
Total other financing sources	33,437	33,437	73,126	39,689
Deficiency of revenues and other financing sources over expenditures	(4,017)	(4,017)	16,744	20,761
Fund balance, beginning of year	70,937	70,937	70,937	-
Fund balance, end of year	$ 66,920	$ 66,920	$ 87,681	$ 20,761

Adjustments necessary to convert the deficiency of revenues and other sources under expenditures and other uses on the budget basis to a GAAP basis are provided below:

Deficiency of revenues and other financing sources over expenditures and other uses-budget basis	$ 16,744
Change in fair market value of investments	(309)
Deficiency of revenues and other financing sources over expenditures and other uses-GAAP basis	16,435

DISCRETELY PRESENTED COMPONENT UNITS

Downtown Dallas Development Authority – to account for tax increment financing revenue bonds issued to finance major improvements by developers on behalf of the City.

North Oak Cliff Municipal Management District – organized to promote, develop, encourage and maintain employment, commerce, transportation, housing, tourism, recreation, and the arts, entertainment, economic development, safety, the public welfare in the district, and educational scholarships for college-bound students residing in or out of the District.

Cypress Waters Municipal Management District – organized to promote, develop, encourage and maintain employment, commerce, transportation, housing, tourism, recreation, the arts, entertainment, economic development, safety, and the public welfare in the District.

Housing Finance Corporation – organized to issue tax-exempt mortgage revenue bonds to encourage low to moderate income citizen opportunities for single family residential home ownership.

Housing Acquisition and Development Corporation – organized solely and exclusively for the public purpose of providing safe, affordable housing facilities which are incidental thereto for the benefit of low and moderate-income persons.

Dallas Development Fund – organized to assist in carrying out the economic development program and objectives of the City by generating private investment capital through the New Markets Tax Credit Program to be made available for investment in low-income communities.

Dallas Convention Center Hotel Development Corporation – organized to promote the development of the geographic area of the City included at or in the vicinity of the Dallas Convention Center, in furtherance of the promotion, development, encouragement and maintenance of employment, commerce, convention and meeting activity, tourism, and economic development in the City, including specifically, without limitation, the development and financing of a convention center hotel to be located within 1,000 feet of the Dallas Convention Center.

Dallas Public Facility Corporation - organized to assist the City in financing, refinancing, or providing public facilities that are located within the city limits of the City of Dallas. In general, the DPFC seeks to develop and preserve mixed-income workforce housing communities to serve residents earning at or below 80 percent of the area median income as well as provide non-income restricted units.

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CITY OF DALLAS, TEXAS
COMBINING STATEMENT OF NET POSITION
DISCRETELY PRESENTED COMPONENT UNITS
As of September 30, 2023
(in thousands)

	Governmental-type Activities Component Units				Business-Type Activities Component Units					
	Downtown Dallas Development Authority	North Oak Cliff Municipal Management District	Cypress Waters Municipal Management District	Total Governmental	Housing Finance Corporation *	Housing Acquisition and Development Corporation	Dallas Development Fund	Dallas Convention Center Hotel Development Corporation *	Dallas Public Facility Corporation	Total Business-Type
Assets:										
Current assets:										
Cash and cash equivalents	$ 16,950	$ 10	$ -	$ 16,960	$ 11,057	$ 177	$ 4,036	$ 112,459	$ 1,599	$ 129,328
Investments, at fair value	-	-	-	-	2,502	-	8	-	-	2,510
Receivables	101	-	-	101	138	295	222	12,704	-	13,359
Inventory	-	-	-	-	-	-	-	599	-	599
Prepaid expenses	-	-	-	-	17	-	24	708	-	749
Land held for resale	-	-	-	-	-	827	-	-	-	827
Franchise fee (net of accumulated amortization)	-	-	-	-	-	-	-	-	-	-
Other assets	101	-	-	101	-	-	1,230	-	-	1,230
Restricted assets:										-
Cash and cash equivalents	8,621	-	-	8,621	-	-	55	27,486	-	27,541
Investments, at fair value	-	-	-	-	-	-	-	35,723	-	35,723
Capital assets:										-
Non-depreciable	-	-	-	-	-	-	-	27,511	-	27,511
Depreciable, net of accumulated depreciation	-	-	-	-	42,703	-	-	259,046	-	301,749
Total assets	25,773	10	-	25,783	56,417	1,299	5,575	476,236	1,599	541,126
Deferred outflows of resources	-	-	-	-	-	-	-	-	-	-
Liabilities:										
Accrued payroll	-	-	-	-	-	-	186	1,720	-	1,906
Accounts payable	-	63	-	63	-	-	-	1,809	-	1,809
Accrued expenses	-	-	-	-	-	-	-	1,625	-	1,625
Accrued taxes payable	-	-	-	-	-	-	-	713	-	713
Unearned revenue	-	-	-	-	55	-	80	9,959	-	10,094
Accrued interest payable	161	-	-	161	-	-	-	14,294	-	14,294
Accounts payable Omni	-	-	-	-	-	-	-	3,344	-	3,344
Other liabilities	-	-	329	329	-	-	657	157	-	814
Long-term liabilities:									-	-
Due within one year	3,088	-	-	3,088	-	-	-	11,555	-	11,555
Due in more than one year	78,647	-	-	78,647	-	-	-	417,130	-	417,130
Total liabilities	81,896	63	329	82,288	55	-	923	462,306	-	463,284
Deferred inflows of resources	-	-	-	-	39,973	-	-	254	-	40,227
Net position:										
Net investment in capital assets	-	-	-	-	2,731	-	-	(59,901)	-	(57,170)
Restricted for debt service	8,494	-	-	8,494	-	-	-	-	-	-
Unrestricted	(64,718)	(53)	(329)	(65,100)	13,658	1,299	4,652	73,577	1,599	94,785
Total net position	$ (56,224)	$ (53)	$ (329)	$ (56,606)	$ 16,389	$ 1,299	$ 4,652	$ 13,676	$ 1,599	$ 37,615

* The information reported for the Housing Finance Corporation and the Dallas Convention Center Hotel Development Corporation is as of December 31, 2022.

CITY OF DALLAS, TEXAS
COMBINING STATEMENT OF ACTIVITIES
DISCRETELY PRESENTED COMPONENT UNITS
Year Ended September 30, 2023
(in thousands)

Function/Program Activities	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Downtown Dallas Development Authority
Component units:					
Governmental activities:					
Downtown Dallas Development Authority	$ 36,295	$ -	$ -	$ -	$ (36,295)
North Oak Cliff Municipal Management District	63	-	-	-	-
Cypress Waters Municipal Management District	1	-	-	-	-
Total governmental activities	36,359	-	-	-	(36,295)
Business-Type activities:					
Housing Finance Corporation *	266	4,883	-	-	-
Housing Acquisition and Development Corporation	106	-	-	-	-
Dallas Development Fund	569	330	-	-	-
Dallas Convention Center Hotel Development Corporation *	29,763	26,711	-	-	-
Dallas Public Facility Corporation	5	-	-	-	-
Total business-type activities	30,709	31,924	-	-	-
General revenues:					
Tax increment contributions					39,784
City tax revenues					-
Investment income					1,061
Other revenues					-
Total general revenues					40,845
Change in net position					4,550
Net position (deficit), beginning of year-restated (see Note 21)					(60,774)
Net position (deficit), end of year					$ (56,224)

* The information reported for the Housing Finance Corporation and the Dallas Convention Center Hotel Development Corporation is as of December 31, 2022.

Net (Expense) Revenue and Changes in Net Position

Governmental Activities			Business-Type Activities					
North Oak Cliff Municipal Management District	Cypress Waters Municipal Management District	Total	Housing Finance Corporation *	Housing Acquisition and Development Corporation	Dallas Development Fund	Dallas Convention Center Hotel Development Corporation *	Dallas Public Facility Corporation	Total
$ -	$ -	$ (36,295)	$ -	$ -	$ -	$ -	$ -	$ -
(63)	-	(63)	-	-	-	-	-	-
-	(1)	(1)	-	-	-	-	-	-
(63)	(1)	(36,359)	-	-	-	-	-	-
-	-	-	4,617	-	-	-	-	4,617
-	-	-	-	(106)	-	-	-	(106)
-	-	-	-	-	(239)	-	-	(239)
-	-	-	-	-	-	(3,052)	-	(3,052)
-	-	-	-	-	-	-	(5)	(5)
-	-	-	4,617	(106)	(239)	(3,052)	(5)	1,215
-	-	39,784	-	-	-	-	-	-
-	-	-	-	-	-	4,071	-	4,071
-	-	1,061	46	-	5	2,846	-	2,897
3	-	3	36	299	268	9,418	1,604	11,625
3	-	40,848	82	299	273	16,335	1,604	18,593
(60)	(1)	4,489	4,699	193	34	13,283	1,599	19,808
7	(328)	(61,095)	11,690	1,106	4,618	393	-	17,807
$ (53)	$ (329)	$ (56,606)	$ 16,389	$ 1,299	$ 4,652	$ 13,676	$ 1,599	$ 37,615

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STATISTICAL SECTION

STATISTICAL SECTION

(Unaudited)

The City of Dallas comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall health.

		Tables
Financial Trends	These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	1-4
Revenue Capacity	These schedules present information to help the reader assess the City's most significant local revenue source, the property tax.	5-9
Debt Capacity	These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	10-15
Demographic & Economic Information	These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	16-17
Operating information	These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	18-20

Sources: Unless otherwise noted, the information in these tables is derived from the comprehensive annual financial reports for the relevant year.

CITY OF DALLAS, TEXAS
NET POSITION BY COMPONENT
Last Ten Fiscal Years (Unaudited)
(accrual basis of accounting)
(in thousands)

	2014 [1]	2015	2016 [2]	2017 [3]
Governmental Activities				
Net investment in capital assets	$ 2,406,821	$ 2,520,158	$ 2,640,551	$ 2,746,024
Restricted	144,269	195,210	169,538	180,303
Unrestricted	(306,474)	(5,393,940)	(6,163,516)	(6,773,455)
Total Governmental Activities net position	2,244,616	(2,678,572)	(3,353,427)	(3,847,128)
Business-Type Activities				
Net investment in capital assets	2,770,931	2,778,732	2,917,498	3,009,285
Restricted for debt service	223,230	261,399	288,970	360,630
Unrestricted	362,862	239,436	1,946	(50,473)
Total Business-Type Activities net position	3,357,023	3,279,567	3,208,414	3,319,442
Primary government				
Net investment in capital assets	5,177,752	5,298,890	5,558,049	5,755,309
Restricted	367,499	456,609	458,508	540,933
Unrestricted	56,388	(5,154,504)	(6,161,570)	(6,823,928)
Total primary government net position	$ 5,601,639	$ 600,995	$ (145,013)	$ (527,686)

[1] 2014 was not restated for the implementation of GASB Statements No. 68 and 71 because the information was not available.

[2] In fiscal year 2016, sanitation was reclassified from governmental activities to business-type activities.

[3] 2017 was not restated for the implementation of GASB Statement No. 75 because the information was not available.

[4] The 2018 classifications of net postion for the business-type activities have been updated to be consistent with the 2019 presentation.

[5] The 2021 net position for govermental and business-type activities were restate as a result of the implementation of GASB Statement No. 87, Leases.

[6] The 2022 net position for business-type activities was restated as a result of the implementation of GASB Statement No. 91, Conduit Debt Arrangements.

*Source: Comprehensive Annual Financial Report for the respective years unless restated, which is from the subsequent year's Comprehensive Annual Financial Report, Management Discussion and Analysis.

Table 1

2018 [4]	2019	2020	2021 [5]	2022 [6]	2023
$ 2,818,586	$ 2,776,179	$ 2,779,462	$ 3,078,939	$ 3,104,432	$ 3,176,714
263,184	272,002	477,600	418,226	626,035	925,260
(5,903,832)	(5,752,159)	(5,560,832)	(4,941,789)	(4,552,599)	(4,433,798)
(2,822,062)	(2,703,978)	(2,303,770)	(1,444,624)	(822,132)	(331,824)
3,200,152	3,292,594	3,389,626	3,446,193	3,661,142	3,877,983
362,960	394,465	421,790	429,744	350,215	356,826
(142,755)	(224,444)	(285,914)	(265,533)	(211,929)	(166,618)
3,420,357	3,462,615	3,525,502	3,610,404	3,799,428	4,068,191
6,018,738	6,068,773	6,169,088	6,525,132	6,765,574	7,054,697
626,144	666,467	899,390	847,970	976,250	1,282,086
(6,046,587)	(5,976,603)	(5,846,746)	(5,207,322)	(4,764,528)	(4,600,416)
$ 598,295	$ 758,637	$ 1,221,732	$ 2,165,780	$ 2,977,296	$ 3,736,367

CITY OF DALLAS, TEXAS
CHANGE IN NET POSITION
Last Ten Fiscal Years (Unaudited)
(accrual basis of accounting)
(in thousands)

Expenses	2014 (1)	2015	2016	2017 (4)
Governmental Activities:				
General government	$ 263,147	$ 220,164	$ 339,671	$ 312,279
Public safety	684,808	594,747	1,345,492	1,284,942
Code enforcement (2)	-	-	-	60,897
Environmental and health services	16,747	18,067	19,431	17,455
Streets, lighting, sanitation, code enforcement (3)	192,981	213,665	195,187	222,444
Public works and transportation	62,168	74,130	88,141	-
Equipment and building services	35,369	36,917	50,829	46,620
Cultural and recreation	142,519	160,527	222,921	201,716
Housing	10,367	17,529	32,694	23,696
Human services	24,006	20,451	26,789	25,703
Interest on long-term debt	75,133	63,404	80,890	70,676
Total Governmental Activities	1,507,245	1,419,601	2,402,045	2,266,428
Business-Type Activities:				
Dallas water utilities	429,034	499,585	586,505	524,308
Convention center	90,377	92,661	105,869	105,864
Airport revenues	91,807	103,950	137,143	144,903
Sanitation (2)	-	-	116,152	103,363
Municipal radio	2,047	2,254	3,009	2,290
Building inspection	23,647	28,704	45,988	38,338
Total Business-Type Activities	636,912	727,154	994,666	919,066
Total primary government expenses	2,144,157	2,146,755	3,396,711	3,185,494
Program revenues				
Governmental Activities:				
Charges for services				
General government	100,673	104,237	115,901	110,857
Public safety	59,061	74,126	102,308	116,033
Code enforcement (2)	102,621	109,391	18,984	9,959
Environmental and health services	-	-	71	289
Streets, public works, and transportation (3)	13,143	5,572	6,551	4,378
Equipment and building services	882	979	1,157	886
Cultural and recreation	21,021	19,972	21,467	21,831
Housing	2,234	1,994	2,973	1,646
Human Services	146	118	122	104
Operating grants and contributions	70,935	77,038	75,560	73,693
Capital grants and contributions	85,718	59,712	31,092	64,858
Total Governmental Activities	456,434	453,139	376,186	404,534
Business-Type Activities:				
Charges for services				
Dallas water utilities	564,546	573,327	607,329	632,469
Convention center	24,207	28,211	32,858	32,892
Airport revenues	84,426	109,777	123,757	133,677
Sanitation (2)	-	-	102,283	106,618
Municipal radio	1,908	1,975	1,608	1,636
Building inspection	28,208	31,378	33,648	33,552
Operating grants and contributions	5,699	5,937	6,343	6,296
Capital grants and contributions	16,586	21,135	37,317	22,050
Total Business-Type Activities	725,580	771,740	945,143	969,190
Total primary government program revenues	1,182,014	1,224,879	1,321,329	1,373,724
Net (Expense) Revenue				
Governmental Activities	(1,050,811)	(966,462)	(2,025,859)	(1,861,894)
Business-Type Activities	88,668	44,586	(49,523)	50,124
Total primary government net expense	(962,143)	(921,876)	(2,075,382)	(1,811,770)
General Revenues:				
Taxes:				
Ad valorem tax	687,573	735,913	791,420	854,136
Sales taxes	257,467	275,250	285,669	295,361
Franchise taxes	136,951	132,719	140,184	144,205
Tax increment financing, intergovernmental	4,108	4,892	6,473	8,829
Special assessments	-	-	-	-
Investment income (loss)	2,667	7,550	10,089	9,567
Miscellaneous	11,235	43,588	16,771	13,792
Transfer	32,008	23,120	32,856	42,303
Total general revenues	1,132,009	1,223,032	1,283,462	1,368,193
Business-Type Activities:				
Hotel occupancy tax	50,374	53,931	59,225	59,746
Motor vehicle tax	-	-	-	-
Alcohol beverage tax	10,256	11,247	12,058	12,624
Investment income (loss)	2,416	5,901	6,786	6,505
Miscellaneous	208	314	699	24,332
Transfer	(32,008)	(23,120)	(32,856)	(42,303)
Special item	(6,372)	-	-	-
Total Business-Type Activities	24,874	48,273	45,912	60,904
Change in Net Position				
Governmental Activities	81,198	256,570	(742,397)	(493,701)
Business-Type Activities	113,542	92,859	(3,611)	111,028
Total primary government	$ 194,740	$ 349,429	$ (746,008)	$ (382,673)

(1) Fiscal year 2014 beginning net position was not restated for the implementation of GASB Statements No. 68 and 71 because the information was not available.

(2) In fiscal year 2017, streets, public works, and transportation were combined. Code enforcement was reported separately.

(3) In fiscal year 2016, Sanitation was reclassified from governmental activities to business-type activities.

(4) Fiscal year 2017 beginning net position was not restated for the implmenation of GASB Statement No. 75 because the information was not available.

*Source: Comprehensive Annual Financial Report for the respective years unless restated, which is from the subsequent year's Comprehensive Annual Financial Report, Management Discussion and Analysis

Table 2

2018	2019	2020	2021	2022	2023
$ 371,548	$ 525,676	$ 455,389	$ 534,764	$ 437,888	$ 499,761
(350,079)	672,991	674,112	306,796	618,090	798,664
51,710	63,709	49,083	51,616	52,944	73,223
18,897	16,978	16,281	16,660	15,949	18,171
-	-	-	-	-	-
202,815	219,484	205,933	216,691	279,743	320,738
50,980	50,025	40,137	50,843	40,417	52,804
213,337	224,008	188,982	179,249	198,455	253,224
15,045	6,731	3,494	3,528	4,074	4,760
21,294	22,908	23,493	32,214	33,906	33,839
70,693	78,124	76,948	58,792	69,798	72,606
666,240	1,880,634	1,733,852	1,451,153	1,751,264	2,127,790
553,038	604,779	591,692	623,532	606,180	715,299
106,487	115,311	84,969	86,849	106,758	128,809
143,697	163,250	152,267	160,158	154,951	180,427
100,252	132,349	116,743	125,350	131,315	161,095
2,187	2,784	2,870	2,013	2,054	1,554
36,729	48,510	36,589	42,584	39,849	55,819
942,390	1,066,983	985,130	1,040,486	1,041,107	1,243,003
1,608,630	2,947,617	2,718,982	2,491,639	2,792,371	3,370,793
115,092	126,722	128,650	130,523	131,682	137,373
100,658	77,288	83,899	87,260	81,417	71,151
10,654	9,719	8,044	12,638	13,237	12,958
-	-	120	146	302	224
19,714	6,337	7,117	9,451	17,393	16,555
1,241	463	394	1,007	954	984
21,853	22,367	11,859	15,016	23,139	23,696
2,782	789	375	1,232	787	-
-	-	-	-	419	-
72,807	72,000	202,759	253,997	194,660	207,627
52,942	78,769	48,349	54,979	71,662	65,108
397,743	394,454	491,566	566,249	535,652	535,676
668,624	617,510	635,940	675,180	775,576	816,678
34,361	41,180	29,725	26,341	32,570	49,438
156,167	182,475	146,976	166,997	195,140	215,970
110,918	123,590	122,154	131,264	143,645	151,109
1,751	1,771	1,500	1,229	1,396	566
34,387	36,871	32,866	35,669	42,205	38,488
6,356	6,039	31,095	15,414	33,768	48,551
34,217	29,050	22,003	56,880	24,260	58,093
1,046,781	1,038,486	1,022,259	1,108,974	1,248,560	1,378,893
1,444,524	1,432,940	1,513,825	1,675,223	1,784,212	1,914,569
(268,497)	(1,486,180)	(1,242,286)	(884,904)	(1,215,612)	(1,592,114)
104,391	(28,497)	37,129	68,488	207,453	135,890
(164,106)	(1,514,677)	(1,205,157)	(816,416)	(1,008,159)	(1,456,224)
914,272	998,861	1,080,445	1,154,660	1,204,389	1,326,845
307,149	320,413	314,385	354,288	407,309	425,543
151,793	140,822	125,921	131,130	144,603	146,000
11,139	12,766	12,553	11,136	11,466	12,275
31,070	33,038	28,525	27,766	36,379	42,259
16,601	36,304	22,885	4,404	(27,985)	65,396
19,372	21,530	12,645	23,321	26,920	23,491
45,157	40,530	45,135	35,121	35,023	40,613
1,496,553	1,604,264	1,642,494	1,741,826	1,838,104	2,082,422
65,307	67,836	41,602	40,416	70,365	103,587
-	-	-	-	-	-
13,323	13,877	9,747	12,935	16,940	17,844
13,279	28,999	18,823	4,515	(15,555)	51,181
1,343	673	621	849	1,139	874
(45,157)	(40,530)	(45,135)	(35,121)	(35,023)	(40,613)
-	-	-	-	-	-
48,095	70,855	25,658	23,594	37,866	132,873
1,228,056	118,084	400,208	856,922	622,492	490,308
152,486	42,358	62,787	92,082	245,319	268,763
$ 1,380,542	$ 160,442	$ 462,995	$ 949,004	$ 867,811	$ 759,071

CITY OF DALLAS, TEXAS
FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years (Unaudited)
(modified accrual basis of accounting)
(in thousands)

	2014	2015	2016 [1]	2017
General Fund				
Nonspendable	$ 10,044	$ 9,894	$ 10,659	$ 11,143
Restricted	11,236	8,485	9,593	12,061
Committed	1,250	10,570	1,250	1,250
Assigned	28,905	29,603	15,836	38,963
Unassigned	129,239	141,550	153,693	171,747
Total General Fund	180,674	200,102	191,031 #	235,164
All Other Governmental Funds				
Nonspendable	13,885	17,119	17,484	14,044
Restricted	367,619	650,698	761,184	658,712
Committed	14,541	14,602	13,781	17,186
Total All Other Governmental Funds	396,045	682,419	792,449	689,942
Total all Governmental Funds	$ 576,719	$ 882,521	$ 983,480	$ 925,106

[1] In fiscal year 2016, Sanitation was reclassifed from governmental funds to enterprise funds.

Source: Comprehensive Annual Financial Report for the respective years unless restated, which is from the subsequent years' Comprehensive Annual Financial Report, notes to the financial statements

Table 3

2018	2019	2020	2021	2022	2023
$ 11,227	$ 13,385	$ 15,385	$ 16,006	$ 18,723	$ 23,069
10,244	11,185	8,724	6,627	5,653	-
1,250	1,250	2,000	2,000	3,000	3,000
20,727	37,109	41,071	51,565	44,347	54,453
212,806	234,225	277,451	324,300	370,588	386,743
256,254	297,154	344,631	400,498	442,311	467,265
10,102	9,937	10,326	12,048	24,929	26,620
894,157	997,796	990,368	989,118	935,611	1,310,920
22,642	25,393	30,177	33,252	39,814	41,035
926,901	1,033,126	1,030,871	1,034,418	1,000,354	1,378,575
$ 1,183,155	$ 1,330,280	$ 1,375,502	$ 1,434,916	$ 1,442,665	$ 1,845,840

CITY OF DALLAS, TEXAS
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

Last Ten Fiscal Years (Unaudited)
(modified accrual basis of accounting)
(in thousands)

	2014	2015	2016 [1]	2017
REVENUES:				
Ad valorem taxes	$ 687,891	$ 734,885	$ 791,087	$ 853,733
Tax increment financing, intergovernmental	4,108	4,892 #	6,473	8,829
Sales taxes	257,467	275,250	285,669	295,361
Franchise fees	136,951	132,719	140,184	144,205
Licenses and permits	6,232	6,047	6,232	5,242
Intergovernmental	99,326	87,633	98,329	95,019
Service to others	255,997	261,685	182,959	192,420
Fines and forfeitures	34,079	34,879	39,262	37,336
Investment income (loss)	2,542	7,235	9,804	9,324
Special assessments	-	-	-	-
Contributions and gifts	32,057	25,848	15,270	18,931
Confiscated money awards	3,493	4,764	3,256	2,810
Other revenues	7,671	9,401	12,640	14,898
Total revenues	1,527,814	1,585,238	1,591,165	1,678,108
EXPENDITURES:				
Current:				
General government	227,195	203,780	224,342	240,142
Public safety	656,941	685,444	700,430	721,753
Code enforcement [1]	175,853	186,631	129,472	40,509
Environmental and health services	16,662	17,757	18,576	16,597
Streets, public works, and transportation [1] [2]	19,467	17,257	18,046	112,924
Equipment and building services	25,648	23,439	24,375	25,411
Culture and recreation	120,198	129,866	140,566	147,098
Housing	10,290	13,551	11,932	14,075
Human services	20,741	20,440	25,285	25,284
Debt Service:				
Principal	147,177	168,962	165,234	169,820
Interest and fiscal charges	79,256	84,543	93,109	89,778
Payment to refunded bond escrow agent	-	-	2,880	-
Capital outlay	265,262	204,012	228,726	213,060
Total expenditures	1,764,690	1,755,682	1,782,973	1,816,451
Excess(deficiency) of revenues over expenditures	(236,876)	(170,444)	(191,808)	(138,343)
OTHER FINANCING SOURCES(USES):				
Transfers in	57,022	41,053	54,465	64,359
Transfers out	(18,647)	(15,357)	(19,265)	(28,929)
Inception of lease				
Proceeds from sale of capital assets	2,238	32,976	610	342
Premium on debt issued	-	95,392	31,556	-
Issuance of long-term debt	41,616	388,895	230,310	44,197
Payment to refunded bond escrow agent	-	(271,433)	-	-
Proceeds from repayment of notes receivable	-	-	6,143	-
Refunding bonds issued	-	204,720	2,880	-
Total other financing sources(uses)	82,229	476,246	306,699	79,969
Net change in fund balance	$ (154,647)	$ 305,802	$ 114,891	$ (58,374)
Debt service as a percentage of noncapital expenditures	15.10%	16.34%	16.62%	16.19%

[1] In fiscal year 2017, streets, public works, and transportation were combined. Code enforcement was reported separately.

[2] In fiscal year 2016, Sanitation was reclassifed from governmental funds to enterprise funds.

*Source: Comprehensive Annual Financial Report for the respective years unless restated, which is from the subsequent years' Comprehensive Annual Financial Report, notes to the financial statements.

Table 4

2018	2019	2020	2021	2022	2023
$ 912,645	$ 1,000,380	$ 1,076,976	$ 1,153,474	$ 1,202,945	$ 1,322,001
11,139	12,766	12,553	11,136	11,466	12,275
307,149	320,413	314,385	354,288	407,309	425,543
151,793	140,822	125,921	131,130	144,603	146,000
10,555	12,612	9,274	11,791	16,643	13,380
82,637	74,820	211,170	263,712	199,555	213,328
197,862	182,517	196,546	207,128	214,274	225,838
36,278	41,931	25,051	25,444	25,104	22,733
15,801	34,471	21,886	4,262	(25,586)	60,977
31,070	33,038	28,525	27,766	36,379	42,259
23,580	29,712	33,852	29,835	50,265	51,454
4,063	2,561	2,661	1,820	1,404	4,079
18,129	12,566	8,615	14,995	16,704	13,683
1,802,701	1,898,609	2,067,415	2,236,781	2,301,065	2,553,550
314,174	380,273	440,845	465,568	448,584	436,053
752,278	784,018	854,425	897,953	950,104	1,036,025
42,717	43,779	44,628	45,712	50,232	56,326
16,650	16,467	15,691	16,492	14,521	15,911
107,830	128,348	126,573	139,498	197,878	213,988
25,564	22,939	25,183	34,673	24,198	29,299
159,837	151,242	149,912	146,157	167,162	187,017
3,954	3,098	2,707	2,632	3,279	3,880
19,325	22,679	21,806	37,590	34,108	32,820
168,406	205,032	204,515	378,200	400,881	294,314
96,318	101,030	105,692	90,869	87,914	90,596
30,675	-	-	-	-	-
266,364	268,765	296,412	381,256	301,222	406,957
2,004,092	2,127,670	2,288,389	2,636,600	2,680,083	2,803,186
(201,391)	(229,061)	(220,974)	(399,819)	(379,018)	(249,636)
77,495	79,755	97,317	80,653	92,017	143,364
(87,574)	(209,288)	(43,360)	(32,681)	(50,770)	(88,482)
				3,381	84,042
716	1,711	320	8,738	6,171	588
36,444	51,803	3,798	26,255	45,885	54,602
432,359	452,205	208,121	472,599	152,863	464,725
-	-	-	(96,331)	(93,895)	(62,442)
-	-	-	-	-	-
-	-	-	-	231,115	56,415
459,440	376,186	266,196	459,233	386,767	652,812
$ 258,049	$ 147,125	$ 45,222	$ 59,414	$ 7,749	$ 403,176
15.23%	16.46%	15.57%	20.80%	20.55%	16.06%

Table 5

CITY OF DALLAS, TEXAS
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Fiscal Years (Unaudited)
(in thousands)

Fiscal Year	Real Property Estimated Market Value [2]	Personal Property Estimated Market Value [2]	Less: Tax-Exempt Property [2]	Total Taxable Assessed Value [1] [4]	Total Direct Tax Rate [3]
2014	$ 98,764,424	$ 14,903,530	$ (26,416,432)	$ 87,251,522	$ 0.7970
2015	106,519,690	14,900,052	(28,281,532)	93,138,210	0.7970
2016	115,476,547	15,323,489	(30,481,099)	100,318,937	0.7970
2017	128,220,454	15,903,571	(33,736,396)	110,387,629	0.7825
2018	139,265,026	16,381,314	(37,331,663)	118,314,677	0.7804
2019	154,913,351	17,625,961	(42,458,326)	130,080,986	0.7767
2020	170,062,755	17,610,106	(47,435,229)	140,237,632	0.7766
2021	182,020,035	17,625,961	(52,202,479)	147,443,517	0.7763
2022	192,407,848	15,827,680	(52,297,336)	155,938,192	0.7733
2023	224,846,032	17,696,063	(63,108,503)	179,433,592	0.7458

Notes:

[1] Total Taxable Assessed Value represents original certified taxable value determined by the Dallas, Collin, Denton, and Rockwall Central Appraisal District.

[2] Values for each fiscal year reflect the tax rolls of the previous year (i.e., 2023 fiscal year reflects 2022 tax roll). See Note 1 in the Notes to the Financial Statements for more information.

[3] Per $100 of valuation.

[4] Exemptions are granted by the City within the constraints of Texas Constitutional law SC 5.

Source: Dallas Central Appraisal District

Table 6

CITY OF DALLAS, TEXAS
CITY TAX RATE DISTRIBUTION
Last Ten Fiscal Years (Unaudited)
(Per $100 of Assessed Value)
(in thousands)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund	$ 0.5601	$ 0.5646	$ 0.5646	$ 0.5601	$ 0.5580	$ 0.5667	$ 0.5691	$ 0.5688	$ 0.5658	$ 0.5403
Debt Service Fund	0.2369	0.2324	0.2324	0.2224	0.2224	0.2100	0.2075	0.2075	0.2075	0.2055
Total City Tax Rate	$ 0.7970	$ 0.7970	$ 0.7970	$ 0.7825	$ 0.7804	$ 0.7767	$ 0.7766	$ 0.7763	$ 0.7733	$ 0.7458

Source: Dallas Central Appraisal District

CITY OF DALLAS, TEXAS
PROPERTY TAX RATES - ALL DIRECT AND OVERALAPPING TAX RATES
(PER $100 OF ASSESSED VALUE)
Last Ten Fiscal Years (Unaudited)

	City Direct Rates [1]		Overlapping Rates [2]					
Fiscal Year	Operating General Rates	General Obligation Debt Service	Dallas County	Dallas County Community College District	Dallas Independent School District	Dallas County School Equalization	Dallas County Hospital District	Total Ad valorem Rate
2014	$ 0.5601	$ 0.2369	$ 0.2431	$ 0.1247	$ 1.2821	$ 0.0100	$ 0.2760	$ 2.7329
2015	0.5646	0.2324	0.2431	0.1248	1.2821	0.0100	0.2860	2.7430
2016	0.5646	0.2324	0.2431	0.1237	1.2821	0.0100	0.2860	2.7418
2017	0.5601	0.2224	0.2431	0.1242	1.2821	0.0100	0.2794	2.7213
2018	0.5580	0.2224	0.2431	0.1242	1.2821	0.0100	0.2794	2.7192
2019	0.5667	0.2100	0.2431	0.1240	1.4120	0.0100	0.2794	2.8452
2020	0.5691	0.2075	0.2431	0.1240	1.3104	0.0100	0.2695	2.7336
2021	0.5688	0.2075	0.2397	0.1240	1.2967	0.0100	0.2661	2.7129
2022	0.5658	0.2075	0.2280	0.1235	1.2482	0.0100	0.2550	2.6380
2023	0.5403	0.2055	0.2179	0.1159	1.1849	0.0100	0.2358	2.5104

Source: Dallas Central Appraisal District

[1] The City's basic property tax rate may be increased only by a majority vote of the City Council up to the limit of the State law, after which the City's residents may petition for a vote. Rates for debt service are set based on each year's requirements.

[2] Overlapping rates are those of local and county governments that apply to property owners within the City of Dallas.

Table 8

CITY OF DALLAS, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years (Unaudited)
(in thousands)

Fiscal Year	Actual Levy Year	Taxes Levied for the Fiscal Year	Collection Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Current tax collections	Percentage of Levy		Total Tax Collections	Percentage of Levy
2014	2013	$ 695,395	$ 678,179	97.52%	$ 4,258	$ 682,437	98.14%
2015	2014	742,312	724,668	97.62%	4,468	729,136	98.23%
2016	2015	799,542	780,733	97.65%	4,431	785,164	98.20%
2017	2016	863,783	850,200	98.43%	4,853	855,053	98.99%
2018	2017	923,328	902,849	97.78%	2,858	905,707	98.09%
2019	2018	1,010,339	989,360	97.92%	3,905	993,265	98.31%
2020	2019	1,089,085	1,066,926	97.97%	2,146	1,069,072	98.16%
2021	2020	1,158,134	1,140,993	99.68%	3,708	1,144,701	98.84%
2022	2021	1,203,409	1,188,513	99.93%	5,053	1,193,565	99.18%
2023	2022	1,332,142	1,313,231	98.58%	-	1,313,231	98.58%

Source: Dallas County Tax Assessor/Collector.

Table 9

CITY OF DALLAS, TEXAS
PRINCIPAL PROPERTY TAXPAYERS
Current Year and Nine Years Ago (Unaudited)
(in thousands)

		2023			2014		
Name of Taxpayer	**Nature of Property**	**Taxable Assessed Valuation**	**Rank**	**Percent of Total Taxable Assessed Valuation**	**Taxable Assessed Valuation**	**Rank**	**Percent of Total Taxable Assessed Valuation**
Oncor Electric Delivery	Electric Utility	$ 1,182,242	1	0.76%	$ 743,428	1	0.85%
Texas Instruments	Electronic Manufacturing	738,414	2	0.47%	632,182	3	0.72%
Billingsley Arts	Developer	730,053	3	0.47%	-	-	-
Northpark Land Partners	Developer	725,978	4	0.47%	602,355	5	0.69%
FM Village Fixed Rate LLC	Developer	682,129	5	0.44%	-	-	-
AT&T Corporation	Telephone Utility	648,492	6	0.42%	612,339	4	0.70%
Southwest Airlines	Air Transportation	607,813	7	0.39%	591,365	6	0.68%
Crescent TC Investors LP	Developer	529,161	8	0.34%	648,910	2	0.74%
Amazon Com KYDC LLC	Retailer	525,051	9	0.34%	-	-	-
Atmos Energy	Gas Utility	475,281	10	0.30%	-	-	-
PC Village Apartments Dallas LP	Developer	-	-	-	338,092	8	0.39%
Galleria Mall Investors LP	Developer	-	-	-	344,402	7	0.39%
Walmart	Retailer	-	-	-	298,563	9	0.34%
Post Properties Inc.	Developer	-	-	-	217,240	10	0.25%
Total		$ 6,844,613		4.40%	$ 5,028,876		5.75%

Source: Dallas County Tax Office

CITY OF DALLAS, TEXAS
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
Year Ended September 30, 2023 (Unaudited)
(in thousands)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable [1]	Estimated Share of Overlapping Debt
Direct Debt:			
City of Dallas			
Debt repaid with property taxes			
General obligation bonds	$ 1,957,891		$ 1,957,891
Certificates of obligation	119,644		119,644
Equipment acquisition notes	109,173		109,173
Pension obligation bonds	294,537		294,537
Other Debt			
Financed purchases	91,224		91,224
Leases	139,303		
Commercial paper	-		-
Long-term notes payable	26,705		26,705
Subtotal, direct debt	2,738,477	100.00 %	2,738,477
Overlapping Debt:			
Carrollton-Farmers Branch ISD	677,115	7.55 %	51,122
Cedar Hill ISD	86,887	1.39 %	1,208
Collin Co	721,825	3.58 %	25,841
Collin Co CCD	480,350	3.58 %	17,197
Community ISD	349,550	0.00 %	-
Coppell ISD	390,765	6.08 %	23,759
Dallas Co	217,675	48.15 %	104,811
Dallas Co Hosp Dist	543,495	48.15 %	261,693
Dallas College	375,515	48.15 %	180,811
Dallas ISD	3,794,285	88.28 %	3,349,595
Denton Co	624,655	1.46 %	9,120
Duncanville ISD	180,145	44.16 %	79,552
Garland ISD	490,885	1.56 %	7,658
Grand Prairie ISD	375,870	3.05 %	11,464
Highland Park ISD (Dallas)	321,655	9.50 %	30,557
Irving ISD	594,030	2.21 %	13,128
Lancaster ISD	172,992	0.50 %	865
Lewisville ISD	1,032,290	0.00 %	-
Mesquite ISD	684,841	1.21 %	8,287
Plano ISD	992,285	10.42 %	103,396
Richardson ISD	952,430	57.29 %	545,647
Rockwall Co	137,325	0.06 %	82
Rockwall ISD	870,135	0.08 %	696
Sunnyvale ISD	82,823	0.00 %	-
Wylie ISD [Collin]	403,109	0.02 %	81
Subtotal, overlapping debt	$ 15,552,932		$ 4,826,568
City Of Dallas (direct debt)	2,738,477	100.00 %	2,738,477
Total direct and overlapping debt	$ 18,291,409		$ 7,565,045
Ratio of Direct and Estimated Share of Overlapping Tax Debt to Taxable Assessed Valuation			5.82%
Per Capita Direct and Overlapping Tax Debt (not in thousands)			5,810

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account.

[1] The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value. Debt outstanding data was obtained from each governmental unit.

Total general obligation (G.O.) bonded debt shown for the City of Dallas excludes self-supporting Water and Sewer G.O., and amount available for repayment in the Debt Service fund.

CITY OF DALLAS, TEXAS
RATIO OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years (Unaudited)

	Governmental											
Fiscal Year	General Obligation Bonds	Certificates of Obligation	Equipment Acquisition Notes	Pension Obligation Bonds	Financed Purchases	Leases [1]	Commercial Paper	Long-term Notes Payable	SBITA Payable [2]	Revenue and Refunding Bonds	General Obligation Bonds
2014	$ 1,318,947	$ 26,457	$ 4,685	$ 404,248	$ -	$ 26,991	$ 26,475	$ 32,402	$ -	$ 2,316,892	$ -
2015	1,558,578	21,871	-	400,411	-	52,488	27,880	44,208	-	2,577,258	-
2016	1,641,422	18,011	-	261,102	-	59,117	10,220	42,893	-	2,701,953	8,396
2017	1,486,496	14,117	-	253,016	-	59,565	9,650	49,027	-	2,900,670	7,307
2018	1,699,537	10,779	-	244,418	-	75,788	35,160	48,058	-	3,006,797	6,261
2019	1,973,099	7,997	-	346,837	-	118,916	3,500	43,853	-	2,937,671	5,352
2020	1,791,598	21,588	33,071	339,205	-	98,185	163,500	25,484	-	3,134,664	4,456
2021	1,794,408	17,187	53,365	315,511	-	103,001	159,676	19,025	-	3,498,673	2,440
2022	1,784,031	66,867	70,568	305,520	121,161	35,152	9,185	16,138	28,845	3,392,347	805
2023	1,957,891	119,644	109,173	294,537	91,224	139,303	-	13,727	26,705	3,503,189	-

Details regarding the City's outstanding debt can be found in the notes to the financial statements.

[1] Items reported as leases in fiscal years prior

[2] The City implemented GASB No. 96, Subscription-Based Information Technology Arrangements on October 1, 2022.

[3] These ratios are calculated using personal income and population data (See Table 15).

[4] See Table 5 for property value data.

Table 11

Business-Type										
Pension Obligation Bonds	Financed Purchases	Leases [1]	Commercial Paper	Long-term Notes Payable	Total Primary Government	Percentage of Personal Income [3]	Per Capita [3]	Total Bonded Debt	Percentage of Estimated Actual Property Value [4]	Per Capita [3]
$ 136,868	$ -	$ -	$ 122,840	$ 4,708	$ 4,389,111	13.06%	$ 3,636	$ 1,891,205	2.17%	$ 1,567
135,617	-	30,115	90,458	2,508	4,897,184	14.37%	3,937	2,116,477	2.27%	1,701
119,738	-	73,899	48,322	266	4,942,446	12.90%	3,929	2,048,669	2.04%	1,629
116,029	-	75,909	18,500	-	4,941,259	12.31%	3,891	1,876,965	1.70%	1,478
112,088	-	101,813	-	-	5,292,641	13.16%	4,116	2,073,083	1.75%	1,612
159,051	-	87,519	164,500	-	5,804,442	13.07%	4,458	2,492,336	1.92%	1,914
104,370	-	85,915	52,900	-	5,829,452	12.71%	4,380	2,294,288	1.64%	1,724
144,691	-	82,445	2,280	-	6,173,677	13.46%	4,734	2,327,602	1.58%	1,785
140,105	8,433	79,736	137,800	-	6,180,555	13.78%	4,740	2,367,896	1.52%	1,821
135,068	4,422	74,661	56,600	-	6,512,417	11.99%	5,006	2,616,313	1.46%	2,011

CITY OF DALLAS, TEXAS
LEGAL DEBT MARGIN
Last Ten Fiscal Years (Unaudited)
(in thousands)

	2014	2015	2016	2017
Total Assessed Valuation	$87,251,522	$93,138,211	$100,318,937	$110,387,629
Overall debt limitation - 10% of assessed valuation	8,725,152	9,313,821	10,031,894	11,038,763
Net Debt Subject to Limitation	1,547,227	1,700,335	1,774,889	1,625,654
Legal debt margin within 10% limitation (1)	$7,177,925	$7,613,486	$8,257,005	$9,413,109
Legal Debt Margin as a Percentage of the Debt Limit	82.3%	81.7%	82.3%	85.3%

(1) Chapter XXI, Section 3 of the City of Dallas Charter states, "The maximum bonded indebtedness of the City outstanding at any one time, and payable from taxation, shall not exceed 10% of the total assessed valuation of property shown by the last assessment roll of the City."

Table 12

2018	2019	2020	2021	2022	2023
$118,314,677	$130,080,985	$140,237,631	$147,443,517	$155,938,192	$179,433,592
11,831,468	13,008,099	14,023,763	14,744,352	15,593,819	17,943,359
1,816,873	2,055,841	1,939,270	1,936,978	1,952,168	2,160,851
$10,014,595	$10,952,258	$12,084,493	$12,807,374	$13,641,651	$15,782,508
84.6%	84.2%	86.2%	86.9%	87.5%	88.0%

CITY OF DALLAS, TEXAS
SCHEDULE OF REVENUE BOND COVERAGE
DALLAS WATER UTILITIES
Last Ten Fiscal Years (Unaudited)
(in thousands)

Fiscal Year	Net Revenue Available for Debt Service			Debt Service Requirements [2]			Revenue Bond Coverage [3]
	Gross Revenue	Expense [1]	Net Revenue	Principal	Interest	Total	
2014	$ 569,822	$ 246,141	$ 323,681	$ 94,545	$ 84,134	$ 178,679	1.81
2015	568,841	287,983	280,858	96,675	86,186	182,861	1.54
2016	619,890	306,085	313,805	100,980	79,705	180,685	1.74
2017	630,542	283,669	346,873	101,803	85,955	187,758	1.85
2018	675,938	289,470	386,468	114,210	82,735	196,945	1.96
2019	626,181	278,649	347,532	116,320	83,241	199,561	1.74
2020	657,258	306,652	350,606	125,635	83,399	209,034	1.68
2021	677,326	332,569	344,757	125,635	85,790	211,425	1.63
2022	754,526	314,966	439,560	124,510	84,571	209,081	2.10
2023	838,900	359,945	478,955	119,380	92,360	211,740	2.26

[1] Operating expenses do not include depreciation or any PILOT payments or similar payments that are not considered expenses of the operation and maintenance of the Water and Wastewater System.

Operating expenses includes payments for the Water Transmission Facilities Financing Agreement in, as explained in note 11.S. Per Texas Government Code, Section 1502.056(c), "a contract between a municipality and an issuer, as defined by Section 1201.002, under which the municipality obtains from the issuer part or all of the facilities or services of a utility system to that payments made by the municipality from the revenue of the utility system are an operating expense of the municipality's utility system."

[2] Includes principal and interest of revenue bonds only. It does not include the general obligation bonds reported in the enterprise fund.

[3] Revenue bond coverage is equal to net revenue available for debt service divided by total principal and interest.

Table 14

CITY OF DALLAS, TEXAS
SCHEDULE OF REVENUE BOND COVERAGE
CONVENTION CENTER FUND
Last Ten Fiscal Years (Unaudited)
(in thousands)

Fiscal Year	Net Revenue Available for Debt Service			Debt Service Requirements [2]			Revenue Bond Coverage [3]
	Gross Revenue	Expense [1]	Net Revenue	Principal	Interest	Total	
2014	$ 90,356	$ 54,606	$ 35,750	$ 4,640	$ 16,098	$ 20,738	1.7
2015	99,805	57,479	42,326	5,740	15,866	21,606	2.0
2016	110,653	70,164	40,489	6,945	15,579	22,524	1.8
2017	111,515	71,123	40,392	8,250	15,232	23,482	1.7
2018	120,196	72,193	48,003	8,665	14,820	23,485	2.0
2019	131,860	81,761	50,099	9,095	14,386	23,481	2.1
2020	86,380	51,855	34,525	9,550	13,932	23,482	1.5
2021	79,995	54,588	25,407	10,030	13,454	23,484	1.1
2022	117,593	79,368	38,225	14,018	5,318	19,336	2.0
2023	176,984	103,914	73,070	10,430	8,904	19,334	3.8

[1] Convention Center Revenue bond covenants require only Convention Center expenses be considered when calculating bond coverage. Expenses exclude depreciation expense.

[2] Includes principal and interest of revenue bonds only. It does not include the general obligation bonds reported in the enterprise fund.

[3] Revenue bond coverage is equal to net revenue available for debt service divided by total principal and interest.

Table 15

CITY OF DALLAS, TEXAS
SCHEDULE OF REVENUE BOND COVERAGE
AIRPORT REVENUES FUND
Last Two Fiscal Years (Unaudited)
(in thousands)

Fiscal Year	Net Revenue Available for Debt Service			Average Debt Service Requirements [2]			Revenue Bond Coverage [3]
	Gross Revenue	Expense [1]	Net Revenue	Principal	Interest	Total	
2018 [4]	$ 130,965	$ 74,949	$ 56,016	$ 12,498	$ 6,757	$ 19,255	2.91
2019	159,229	91,555	67,674	13,002	6,497	19,498	3.47
2020	162,761	77,693	85,068	13,298	6,223	19,521	4.36
2021	147,612	82,650	64,962	24,130	11,392	35,522	1.83
2022	163,839	88,237	75,602	24,963	10,927	35,890	2.11
2023	195,477	114,981	80,496	25,439	10,336	35,775	2.25

[1] Operating expenses do not include depreciation.

[2] Includes principal and interest of revenue bonds only. It does not include the general obligation bonds reported in the enterprise fund.

[3] Revenue bond coverage is equal to net revenue available for debt service divided by average principal and interest outstanding at fiscal year end.

[4] Debt service payments from net revenues began in fiscal year 2018.

CITY OF DALLAS, TEXAS
DEMOGRAPHIC STATISTICS AND ECONOMIC STATISTICS
Last Ten Fiscal Years (Unaudited)

Fiscal Year	Population [1]	Personal Income	Per Capita Personal Income	Median Household Income	Median Age	Assessed Valuation [5] (in thousands)	Labor Force [2]	Unemployment [2]	Unemployment Rate [2]
2014	1,232,360	$ 33,615,083,720 [3]	$ 27,277 [4]	$ 41,666 [3]	32.3 [3]	$ 87,251,522	596,473	34,977	5.9 %
2015	1,244,270	34,081,929,000 [3]	27,391 [4]	43,103 [3]	32.1 [3]	93,138,211	642,785	26,917	4.2 %
2016	1,257,730	38,299,687,300 [3]	30,451 [4]	44,461 [3]	32.5 [3]	100,318,937	661,622	25,627	3.9 %
2017	1,270,170	40,127,279,400 [3]	31,592 [4]	46,581 [3]	32.7 [3]	110,387,629	676,091	27,356	4.1 %
2018	1,286,380	40,212,238,800 [3]	31,260 [4]	47,285 [3]	32.5 [3]	118,314,677	694,383	25,302	3.7 %
2019	1,301,970	44,411,357,000 [3]	34,111 [4]	51,419 [3]	32.9 [3]	130,080,985	706,339	24,144	3.4 %
2020	1,330,612	45,878,171,148 [3]	34,479 [4]	52,580 [3]	32.7 [3]	140,237,631	695,823	45,769	6.6 %
2021	1,304,379	45,878,171,148 [6]	34,479 [6]	52,580 [6]	32.7 [6]	147,443,517	701,108	45,689	6.5 %
2022	1,300,239	44,841,342,393 [7]	34,487 [7]	54,747 [7]	33.1 [7]	155,938,192	717,021	28,726	4.0 %
2023	1,300,642	54,316,110,562 [7]	41,761 [7]	63,985 [7]	33.1 [7]	179,433,592	742,004	29,277	3.9 %

[1] Sources vary over the years including:
North Central Texas Council of Governments estimate.
U.S. Census Bureau.
American Community Survey, 5-Year Estimates.

[2] U.S. Bureau of Labor Statistics and Texas Workforce Commission

[3] Personal Income, Median Household Income, and Median Age are averages of previous two years. Personal income is the aggregate income in the past 12 months.
U.S. Census Bureau.

[4] Per Capita Personal Income is derived from Population and Personal Income values.
U.S. Census Bureau.

[5] Consolidated Appraisal Value from Budget Office.

[6] The information was not available for September 30, 2021, so the information as of September 30, 2020 was used in this table.

[7] American Community Survey, 5-Year Estimates.

All values by year are current estimates as published by the source at the date of publication. Updates to the values after publication date by their source are not reflected.

CITY OF DALLAS, TEXAS
PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago (Unaudited)

	2023			2014		
Name of Employers	**Employees**	**Rank**	**Percentage of Total Employment**	**Employees**	**Rank**	**Percentage of Total Employment**
UT Southwestern Medical Center [1]	23,817	1	2.20%	13,800	2	0.42%
Dallas Independent School District [2]	23,271	2	2.15%	20,793	1	0.63%
City of Dallas[3]	16,000	3	1.48%	13,000	3	0.39%
Southwest Airlines Co [4]	14,618	4	1.35%	-	11	-
Parkland Health & Hosp System [5]	13,000	5	1.20%	-	-	-
Medical City Dallas [6]	10,974	6	1.02%	-	-	-
Dallas County Community College [7]	8,230	7	0.76%	-	16	-
Texas Instruments Inc. [8]	7,722	8	0.71%	10,885	4	0.33%
Dallas County [9]	6,500	9	0.60%	6,500	8	0.20%
Methodist Dallas Med Ctr [10]	6,452	10	0.60%	-	18	-
Baylor Scott & White Health	-	-	-	9,610	5	0.29%
AT&T	-	-	-	8,100	6	0.25%
Presbyterian Hospital of Dallas	-	-	-	7,456	7	0.23%
ClubCorp USA Inc.	-	-	-	5,902	9	0.18%
Wal-Mart Stores	-	-	-	4,600	10	0.14%
Total	130,584		12.08%	100,646		3.05%

Source:

(1) UT Southwestern Medical Center - Community and Corporate Relations, 2023.

(2) Dallas Independent School District, 2023.

(3) City of Dallas - Annual Budget, FY23-24, 2023.

(4) City of Dallas - Department of Aviation, 2023.

(5) Parkland Annual Brochure FY22, 2023.

(6) ESRI Business Analyst, 2023; Data Axle Inc., 2023.

(7) Dallas County Community College, 2023.

(8) AtoZ Database, 2023.

(9) Dallas County, 2023.

(10) Methodist Dallas Medical Center, 2023.

2014 data are based upon Dallas Business Journal Book of Lists and census data.

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CITY OF DALLAS, TEXAS
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
Last Ten Fiscal Years (Unaudited)

Function/Program	2014	2015	2016	2017
Public safety				
Police stations	8	8	8	8
Fire stations	57	58	58	58
Streets, public works and transportation				
Streets - paved (miles)	4,033	4,041	4,034	4,027
Lane miles	11,771	11,754	11,775	11,757
Traffic signals	1,348	1,354	1,354	1,368
Street lights	87,355	87,790	87,790	91,000
Parks and recreation				
Parks	381	380	389	396
Parks acres	22,842	23,470	23,147	20,109
Miles of trails (jogging, hiking & biking)	130	144	153	158
Number of lakes	13	13	13	13
Swimming pools	18	18	19	19
Spraygrounds "Water-enhanced playground"	10	11	11	11
Athletic fields (soccer, football, baseball & rugby)	272	271	278	274
Tennis centers	5	5	5	5
Number of tennis courts	81	81	81	99
Neighborhood tennis courts	177	177	177	157
Multi-use courts	156	153	154	158
Golf courses (18 holes)	6	6	6	6
Recreation centers (community)	43	43	43	43
Water				
Water mains (miles)	4,922	4,925	4,937	4,955
Fire hydrants	29,626	29,666	29,857	30,176
Wastewater				
Miles of sanitary sewers	4,017	4,017	4,020	4,022
Miles of storm sewers	1,791	1,800	1,820	1,838

Source: City capital asset records

TABLE 18

2018	2019	2020	2021	2022	2023
8	8	8	8	8	8
58	58	58	58	59	59
4,027	4,056	4,069	4,009	4,022	4,012
11,755	11,811	11,860	11,622	11,673	11,656
1,373	1,383	1,399	1,422	1,434	1,444
88,122	92,542	92,909	93,977	94,201	93,104
397	397	397	397	410	412
20,245	20,109	23,464	20,245	20,835	21,227
161	162	168	180	207	179
13	40	40	40	41	41
20	19	19	19	19	19
11	11	11	17	17	17
269	287	287	287	288	287
5	5	5	4	4	4
99	99	99	99	65	67
157	157	157	157	189	188
154	159	159	159	158	157
6	6	6	6	6	6
43	43	43	43	42	42
4,983	4,986	5,005	5,017	5,038	5,054
30,558	30,707	30,950	31,091	31,398	31,637
4,040	4,046	4,052	4,058	4,063	4,067
1,963	1,963	1,869	1,879	1,875	1,885

CITY OF DALLAS, TEXAS
OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years (Unaudited)

Function/Program	2014	2015	2016	2017
Public Safety				
Police				
Calls for Service	590,443	599,319	628,871	608,548
Fire				
Calls for Service - Fire	42,346	41,049	43,228	43,783
Calls for Service - EMS	195,802	189,894	202,212	206,323
Recreation				
Number of Membership Scans	545,998	564,684	632,246	453,369
Building Permits [1]				
Permits Issued	36,044	37,951	41,480	40,650
Estimated Value	$3,305,921,947	$4,097,419,967	$4,636,962,395	$4,264,728,943
Airport				
Airport Operations (Takeoffs and Landings)	176,889	209,121	223,997	225,754
Utilities (millions of gallons)				
Water Usage - Peak	535	619	592	511
Water Usage - Average	369	374	369	372

Source: Department annual records

[1] The fiscal year 2023 data are for the submitted building permits. The prior years' data are for the issued permits.

Table 19

2018	2019	2020	2021	2022	2023
586,727	617,111	587,564	569,280	584,268	546,451
53,171	49,594	60,892	66,357	75,865	76,451
206,161	205,245	172,993	194,646	209,426	209,149
344,127	361,833	17,913	818,548	391,688	537,960
38,826	44,981	40,013	44,618	18,471	11,699
$4,011,159,859	$4,730,498,312	$4,025,997,722	$4,264,667,272	$5,782,936,004	$6,282,781,148
232,380	229,594	187,220	197,436	226,591	247,510
607	606	588	687	655	685
389	369	380	382	412	415

CITY OF DALLAS, TEXAS
HEADCOUNT OF CITY GOVERNMENT EMPLOYEES
BY FUNCTION/PROGRAM
Last Ten Fiscal Years (Unaudited)

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government										
City Manager's Office	15	14	12	11	13	17	13	16	18	17
City Attorney	144	149	153	157	150	159	150	137	158	165
City Auditor	22	22	22	23	25	19	20	21	16	20
City Controller's Office	42	42	41	47	48	54	65	71	71	75
City Secretary	14	15	17	18	21	23	24	24	21	23
Code Compliance Services	397	404	440	455	345	326	329	359	367	426
Communication & Information Services	170	163	170	188	187	179	198	188	198	202
Dallas Animal Services	-	-	-	-	131	148	154	158	151	155
Office of Economic Development	41	39	36	37	27	24	30	42	29	32
Equipment and Building Services [1]	461	461	452	491	469	-	-	-	-	-
Equipment & Fleet Management	-	-	-	-	-	216	237	224	223	222
Building Services Department	-	-	-	-	-	169	176	173	157	162
Office of Budget	39	47	30	31	34	36	42	29	29	29
Office of Bond Program Administration	-	-	-	-	-	-	12	14	10	9
Office of Data Analytics and Business Intelligence	-	-	-	-	-	-	-	22	25	33
Human Resources	47	49	53	54	49	53	53	58	72	77
Housing & Neighborhood Revitalization	-	-	-	-	40	41	45	15	24	22
Housing	357	367	357	304	-	-	-	-	-	-
Office of Cultural Affairs	61	64	63	63	68	64	51	77	73	80
Municipal Court-Judiciary	33	32	29	32	30	27	26	38	46	43
Courts & Detention Services	145	152	158	153	140	202	197	194	192	180
Office of Procurement Services	41	41	40	36	31	34	34	32	32	30
Planning & Urban Design	-	23	28	28	26	25	26	24	51	49
Sustainable Development & Construction Services	-	-	-	-	297	310	308	303	265	297
Library	266	348	391	389	407	415	382	314	317	381
Management Services	164	160	181	199	452	505	494	572	631	670
Subtotal	2,459	2,592	2,673	2,716	2,990	3,046	3,066	3,105	3,176	3,399
Public Safety										
Police-Uniform	3,524	3,483	3,354	3,075	3,033	3,077	3,161	3,138	3,103	3,071
Police-Civilian	540	545	550	624	568	550	506	637	635	645
Fire-Uniform	1,867	1,901	1,878	1,811	1,940	1,986	1,986	2,002	2,005	2,055
Fire-Civilian	92	104	102	105	103	98	101	99	106	109
Subtotal	6,023	6,033	5,884	5,615	5,644	5,711	5,754	5,876	5,848	5,880
Development Services	264	269	280	299	-	-	-	-	-	-
Public Works										
Public Works & Transportation	144	138	137	-	-	-	-	-	-	-
Streets, Public Works, and Transportation [2]	491	510	508	609	633	-	-	-	-	-
Public Works	-	-	-	-	-	445	433	424	476	527
Trinity Watershed Management	193	205	207	209	208	-	-	-	-	-
Transportation	-	-	-	-	-	133	133	143	160	169
Subtotal	828	853	852	818	841	578	566	567	636	696
Parks and Recreation	614	661	729	691	702	690	676	825	922	1,220
Water Utilities	1,432	1,463	1,439	1,439	1,363	1,520	1,473	1,468	1,440	1,447
Convention & Events Services	74	80	98	111	106	27	28	23	19	22
Aviation	187	203	206	240	261	277	270	274	267	283
Sanitation	472	488	483	487	483	491	480	458	489	503
Other										
Mayor & Council	36	39	37	40	37	39	34	52	52	60
Employee Retirement	19	23	25	28	29	31	33	35	35	35
Civil Services	20	24	22	28	26	27	24	21	21	24
Office of Risk Management	24	22	27	26	36	37	41	41	44	50
Subtotal	99	108	111	122	128	134	132	149	152	169
Total	11,980	12,262	12,272	12,538	12,518	12,474	12,445	12,745	12,949	13,619

Source: City Human Resources Records

[1] In fiscal year 2019, Equipment and Building Services were reorganized as two separate departments - Equipment and Fleet Management and Building Services.

[2] In fiscal year 2017, streets, public works, and transportation were combined.

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